GOVERNMENT OF MADRAS

FINANCE DEPARTMENT

BUDGET MEMORANDUM

1942-1943

PRINTED BY THE SUPERINTENDENT
GOVERNMENT PRESS
MADRAS
1942

UNIVERSITY LIBRARY
8 OCT 1942
MADRAS

TABLE OF CONTENTS

BUDGET MEMORANDUM, 1942–1943.

PART I

GENERAL REVIEW OF PROVINCIAL FINANCES, 1940–1941 (ACCOUNTS) TO 1942–1943 (BUDGET).

PAGES

INTRODUCTORY.

Accounts for 1940–1941 3–4
Revised Estimate for 1941–1942 4–7
Budget Estimate for 1942–1943 7–10
Outstanding liabilities and assets of the Madras Government .. 10

SUMMARY OF THE FINANCIAL POSITION FROM 1940–1941 (ACCOUNTS) TO 1942–1943 (BUDGET).

A.—STATEMENT OF THE REVENUE AND OF THE EXPENDITURE ON REVENUE ACCOUNT 12–15
B.—STATEMENT OF RECEIPTS AND DISBURSEMENTS 16-23

List of Illustrations.

Graph No. 1.—Revenue and Expenditure 25
Graph No. 2.—Revenue under main heads of account 26
Graph No. 3.—Expenditure under main heads of account 27
Graph No. 4.—Expenditure distributed over three categories (Primary Government Functions, Development Services and Charges common) 28

PART II

DETAILED MEMORANDUM EXPLANATORY OF THE FIGURES IN THE BUDGET ESTIMATES OF REVENUE AND GRANTS, AND OF THE MADRAS FAMINE RELIEF FUND AND ELECTRICITY RESERVE FUNDS.

General 29

REVENUE.

IV. Taxes on Income other than Corporation Tax 29
VII. Land Revenue 30–31
VIII. Provincial Excise 31–33
IX. Stamps 33–35
X. Forest 35–37
XI. Registration 37
XII. Receipts under Motor Vehicles Acts 37–38
XIII. Other Taxes and Duties 38–41
XVII. Irrigation, Navigation, Embankment and Drainage Works for which Capital Accounts are kept—Gross Receipts 41–42
XVIII. Irrigation, Navigation, Embankment and Drainage Works for which no Capital Accounts are kept 42
XX. Interest 42–43
XXI. Administration of Justice 43–45
XXII. Jails and Convict Settlements 45
XXIII. Police 46–47
XXIV. Ports and Pilotage 47
XXVI. Education 48

		PAGES
XXVII.	Medical	49–50
XXVIII.	Public Health	50–51
XXIX.	Agriculture	51–52
XXX.	Veterinary	52–53
XXXI.	Co-operation	53–54
XXXII.	Industries	54–56
XXXVI.	Miscellaneous Departments	56–57
XXXIX.	Civil Works	57–58
XLI.	Receipts from Electricity Schemes—Gross Receipts	58–59
XLIV.	Receipts in aid of Superannuation	59–60
XLV.	Stationery and Printing	60–61
XLVI.	Miscellaneous	61–64
L.	Miscellaneous Adjustments between Central and Provincial Governments	64

GRANTS

I.	Land Revenue	65–66
II.	Provincial Excise	66–67
III.	Stamps	67–68
IV.	Forest	68–69
V.	Registration	69
VI.	Motor Vehicles Acts	70
VII.	Other Taxes and Duties	71
	Irrigation Expenditure	71–72
VIII.	Irrigation	73–76
22.	Interest on Debt and Other Obligations	77–79
23.	Appropriation for Reduction or Avoidance of Debt	80
25.	General Administration	81
IX.	Heads of Provinces, Ministers and Headquarters Staff	81–84
X.	Legislative Bodies	84–85
XI.	District Administration and Miscellaneous	85–87
XII.	Administration of Justice	87–88
XIII.	Jails	88–89
XIV.	Police	89–90
XV.	Education	91–96
	Anglo-Indian and European Education	96
	Classification of Expenditure as Medical and Public Health	96
XVI.	Medical	96–98
XVII.	Public Health	98–100
XVIII.	Agriculture	100–102
XIX.	Veterinary	102–103
XX.	Co-operation	104
	Industries	105
XXI.	Industries	105–106
XXII.	Cinchona and Fisheries	107–108
XXIII.	Miscellaneous Departments	108–110
	Civil Works	110–111
XXIV.	Civil Works—Works	111–113
XXV.	Civil Works—Establishment and Tools and Plant	113–114
XXVI.	Civil Works—Grants-in-aid	114–115
XXVII.	Electricity	116–118
XXVIII.	Famine	119–120
XXIX.	Pensions	120–122
XXX.	Stationery and Printing	122–123

		PAGES
XXXI.	Miscellaneous	124–126
XXXII.	Civil Defence	126
XXXIII.	Capital Outlay on Irrigation	126–127
XXXIV.	Capital Outlay on Industrial Development and Civil Aviation.	127–129
XXXV.	Civil Works Outside the Revenue Account	129
XXXVI.	Capital Outlay on Electricity Schemes	130–132
	Note by the Chief Engineer for Electricity on the Electricity Schemes	132–134
XXXVII.	Commuted Value of Pensions	135
XXXVIII.	Interest-free Advances	135–136
	Loans and Advances by the Provincial Government	136
XXXIX.	Loans and Advances bearing Interest	137–139
	Provincial Loan Account	139–140
	Grants for Economic Development and Improvement of Rural Areas	140–141
	The Madras Famine Relief Fund	141–142
	Depreciation Reserve Funds and Special Reserve Funds of Electricity Systems	142
	Contingent Liabilities of the Madras Government	142

PART III

APPENDICES.

I.	Detailed list of new schemes for 1942–1943—	
	(A) Summary of the Financial Effect of Schemes involving loss of revenue or new expenditure for which allowance has been made in the Budget Estimates for 1942–1943	143–145
	(B) Loss of Revenue or Additional Revenue anticipated from schemes involving loss of revenue or new expenditure for which allowance has been made in the Budget Estimates for 1942–1943	146
	(C) Schemes of New Expenditure for which provision has been made in the Budget Estimates for 1942–1943	147–167
II.	Statement showing the Capital Liabilities and Assets of the Madras Government as on the last day of each financial year from 1938–1939	168–169
III.	Statement showing the transactions relating to the Madras Famine Relief Fund from the year 1938–1939	170
IV.	Statement showing the transactions relating to the Reserve Funds of Electric Systems from 1938–1939	171
V.	Statement of Guarantees given by the Government of Madras and outstanding on the 31st January 1942	172

BUDGET MEMORANDUM, 1942-1943

Note.—Except where otherwise stated amounts are expressed in lakhs of rupees to two places of decimals.

UNIVERSITY LIBRARY MADRAS

PART I.

GENERAL REVIEW * OF PROVINCIAL FINANCES.

1940–1941 (Accounts) to 1942–1943 (Budget).

Introductory.

This part of the Memorandum gives
(1) a review of the actuals for the year 1940–1941;
(2) a comparison of the revised estimates for the current financial year 1941–1942 with those of the original budget; and
(3) a review of the estimated receipts and expenditure for the year 1942–1943.

Budget Abstract.

2. The statement attached exhibits the financial position from 1940–1941 (Accounts) to 1942–1943 (Budget). Part A of the statement gives by major heads of account the revenue and expenditure on revenue account and indicates the surplus or deficit estimated as a result of the year's working. In the same way, Statement B gives the capital expenditure outside the revenue account and the receipts and disbursements under the debt and deposits and advances and remittance heads. It shows also the net result of all transactions of the year under revenue, capital and debt, deposits and advances and remittance heads. The opening balance of the previous year is shown and the closing balance struck. The illustrations at the end of this Part show

Graphs.

(i) Revenue and expenditure;
(ii) Revenue under main heads of account;
(iii) Expenditure under main heads of account;
(iv) Expenditure distributed over the three categories (Primary Government functions, Development Services and Charges Common).

Accounts, 1940–1941.

3. *Accounts*, 1940–1941.—The following statement summarises the position :—

——	Revised Estimate, 1940–1941.		Accounts, 1940–1941.	
(1)	(2)	(3)	(4)	(5)
	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.
(A) Opening balance		1,34·48		1,34·48
Revenue Account—				
Revenue	18,04·47		18,07·51	
Expenditure on revenue account.	17,99·66		17,54·75	
(B) Surplus		4·81		52·76
(C) Capital Expenditure ..		61·18		55·11
Loans and Advances by the Provincial Government—				
Receipts	92·52		97·85	
Disbursements ..	89·14		86·96	
(D) Net loan receipts		3·38		10·89
Other Debt, Deposits and Advances and Remittance heads—				
(E) Net disbursements ..		23·07		89·29
(F) Closing balance (A + B — C + D — E).		58·42		53·73

Revenue Account.

4. The revised estimate for 1940–1941 showed a surplus of Rs. 4·81 lakhs, but the actual surplus amounted to Rs. 52·76 lakhs, i.e., an increase of Rs. 47·95 lakhs or Rs. 48 lakhs in round figures. This large surplus was due partly to net increases in revenue amounting to Rs. 3·04 lakhs and partly to a net decrease in expenditure amounting to Rs. 44·91 lakhs. There were increases in the actual adjustment of Income-tax assignment (Rs. 3·75 lakhs), under Land Revenue collections owing to a favourable season (Rs. 1·83 lakhs), under Forest from the sale of timber and charcoal (Rs. 1·29 lakhs), under commercial taxes and duties due to larger receipts under General Sales Tax (Rs. 2·82 lakhs) and under Administration of Justice due to larger receipts under general fees, fines and forfeitures (Rs. 2·52 lakhs). These increases were partly offset by decreases under Stamps (Rs. 1·83 lakhs) and net receipts from Electricity Schemes (Rs. 1·83 lakhs). In the revised estimate of expenditure on revenue account, it was anticipated that an expenditure of Rs. 30 lakhs on Electricity Schemes could be met from the revenue

* It has been the practice for some years to give in this part of the Budget Memorandum a general review of the finances of the Province (*a*) from 1920–1921 to 1936–1937 and (*b*) from 1936–1937 onwards according to the classification of accounts from 1st April 1937; to refer generally to the scope of the Famine Relief Fund and the Depreciation Reserve Funds and Special Reserve Funds of Electric Systems and also to give some explanation of the various resource items which are available to Government for the ways and means budget. It is considered no longer necessary to make such an extensive review or to repeat information which can be obtained, if desired, by a reference to the Budget Memoranda of any of the years 1937–1938 to 1941–1942.

account, but owing to delay in the receipt of plant from abroad, expenditure fell short of expectations and the transfer to revenue account was only Rs. 13·50 lakhs. There were also decreases under Education owing to savings in teaching grants and the grant for buildings and equipment (Rs. 3·50 lakhs), under Public Health mainly due to short expenditure under grants as a result of the slow progress of water-supply and drainage schemes executed by local bodies including the Madras Corporation (Rs. 2·37 lakhs), and under 50. Civil Works due partly to short expenditure under grants to local bodies for roads and bridges, village communications and for water-supply and drainage works executed by the Public Works department and partly to smaller expenditure than anticipated on works including those financed from the Central Road Fund (Rs. 19·11 lakhs). Besides the variations mentioned above, there were other increases and decreases under revenue and expenditure heads which inevitably occur between actuals and estimates and which need not be referred to in detail.

Capital expenditure outside the revenue account.

Loans and advances.

Debt and deposit heads.

5. The capital expenditure outside the revenue account (Rs. 55·11 lakhs) was Rs 6·07 lakhs less than the revised estimate, the decrease being mainly due to short expenditure on Electricity Schemes as a result of the war delaying arrival of electrical stores from abroad and to short expenditure on Civil Works. Under Loans and Advances by the Provincial Government, there was an increase under recoveries and a decrease under advances due to short disbursement of loans to cultivators under the Land Improvement Loans Act and Agriculturists' Loans Act. After the revised estimate was fixed, an additional sum of Rs. 94·71 lakhs was invested in Government of India Treasury Bills and this mainly accounts for the variation under debt and deposit heads.

Summary, 1940–1941.

6. The year started with a balance of Rs. 189·26 lakhs (cash Rs. 134·48 lakhs, cash balance investments Rs. 54·78 lakhs). There was a large increase in revenue during the year. All the principal heads of revenue contributed to this result, the largest increase being under Commercial Taxes, which were levied primarily for the purpose of raising sufficient funds to finance the extension of prohibition throughout the Presidency. The increase under that head was unexpected as the rate of tax under the General Sales Tax Act had been reduced with a view to avoiding any large excess of the net receipts under commercial taxes over the cost of Prohibition. As that expectation was falsified, the Government decided not to use the unexpected surplus yield from the commercial taxes for purposes of ordinary administration but to fund it for the time being with the intention, however, of using it temporarily for ways and means purposes and if necessary for financing capital expenditure. With this object in view, a Revenue Reserve Fund was created and a sum of Rs. 58·50 lakhs being the estimated surplus yield of the Commercial Taxes for the years 1939–1940 and 1940–1941 was credited to the Fund during the year. A contribution of Rs. 10 lakhs was also made to the Fund for the development of Rural Water-Supply. A sum of Rs. 69·52 lakhs was raised in the open market for financing remunerative Irrigation and Electricity schemes and for granting loans to local bodies, agriculturists, etc. The year closed with a balance of Rs. 348·21 lakhs (cash Rs. 53·73 lakhs, investments in Central Government Treasury Bills Rs 294·48 lakhs). In addition there were securities purchased for a sum of Rs. 88·08 lakhs and held in the Famine Relief and Electricity Reserve Funds.

Revised Estimate, 1941–1942 Abstract.

REVISED ESTIMATE FOR 1941–1942.

7. The following statement summarises the position :—

——	Budget Estimate, 1941–1942.		Revised Estimate, 1941–1942.	
(1)	(2)	(3)	(4)	(5)
	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.
(A) Opening balance		58·42		53·73
Revenue Account—				
Revenue	18,21·37		19,41·90	
Expenditure on Revenue Account.	18,08·62		19,24·29	
(B) Surplus		12·75		17·61
(C) Capital Expenditure ..		54·57		39·88
Loans and Advances by the Provincial Government—				
Receipts	92·01		92·23	
Disbursements	1,01·44		87·32	
(D) Net Loan Receipts		— 9·43		4·91
(E) Other Debt, Deposits and Advances and Remittance heads—				
Net Receipts		60·09		15·81
(F) Closing balance (A + B — C + D + E).		67·26		52·18

8. According to the Revised Estimate for 1941–1942 a revenue of Rs. 19,41·90 lakhs is anticipated against the budget estimate of Rs. 18,21·37 lakhs, that is, an increase of Rs. 1,20·53 lakhs. The chief increases in revenue are— **Revenue.**

Income-tax (*Rs.* + 45·30 *lakhs*).—The latest information received from the Government of India is to the effect that the Madras Government's share from the proceeds of income-tax will be Rs. 1,09·05 lakhs against the budget estimate of Rs. 63·75 lakhs, that is, an increase of Rs. 45·30 lakhs.

Land Revenue (*Rs.* + 26·80 *lakhs*).—Owing to the generally favourable season except in certain parts of the Province (Ceded Districts and West Coast) and the increase in the price of food-grains, the land revenue collections have been good. The collections up to the end of November are already Rs. 21 lakhs up as compared with last year and it is anticipated that the land revenue collections for the year will exceed the budget estimate by about Rs. 27 lakhs.

Provincial Excise (*Rs.* + 24·53 *lakhs*).—The improvement in the economic condition of the ryots owing to the increase in the price of food-grains and in the earning power of the labouring classes accounts for the large increase expected in Excise revenue. Larger rentals have been received for the arrack and toddy shops and there is a larger consumption of country spirits and consequent increase in duty. There is also an increase under tree-tax.

Receipts from Electricity Schemes (*Rs.* + 25·52 *lakhs*).—There is an increase of Rs. 5·44 lakhs in the gross receipts from the Electricity systems, due to the development of load over anticipations, and the commencement of operation of new extensions in the Mettur System. The balance of the increase is mainly due to the transfer from the working expenses account to a suspense head in the capital account of the value of all stocks of electricity stores amounting to Rs. 27·48 lakhs. To this extent, the increase is unreal.

Besides the large increases mentioned above, there are increases or decreases under other heads which have been fully explained under each major head in Part II of the Memorandum and which need not be repeated here.

9. The revised estimate provides for an expenditure of Rs. 19,24·29 lakhs against the budget estimate of Rs. 18,08·62 lakhs, that is, an increase of Rs. 1,15·67 lakhs although, but for the provision of Rs. 1,44·28 lakhs for certain special items of expenditure detailed below, the expenditure would have been Rs. 28·61 lakhs less than the budget estimate. **Expenditure on Revenue Account.**

(1) The chief item of decrease is the lapse of provision of Rs. 36 lakhs made in the budget estimate under "64 A. Transfer to the Revenue Reserve Fund" for the transfer of the surplus yield of the Commercial Taxes to the Revenue Reserve Fund. The Government considered that instead of putting the surplus yield into a Revenue Reserve Fund to be spent at some unknown future date, the amount might be more profitably utilized at present in other ways such as those described in sub-paragraphs (2) and (3) below. They therefore decided to discontinue contribution to the Fund with effect from the current year.

(2) It has often been represented to Government that since the passing of the Motor Vehicles Taxation Act, local bodies have not been getting as toll compensation the average income which they were getting before by the imposition of tolls and that in consequence their finances were in an unsatisfactory condition with the result that the maintenance and development of roads had been greatly neglected. To remedy this long-standing complaint Government decided in the course of the year to give annually, if the budgetary position of the year permits, additional grants to make good the deficiency by which the amount available for distribution under the Motor Vehicles Taxation Act falls short of the maximum contribution payable under the Act. With a view to prevent extravagant and ill-advised expenditure if the grants were made outright to local bodies, Government prescribed that the additional grants could be utilized by local bodies only— **Additional toll compensation.**

(i) for wiping off any actual deficit under the ordinary account on 31st March 1941 or providing a suitable opening balance where that is considered necessary as on 1st April 1941 ;

(ii) for meeting increased expenditure on communications over and above the normal expenditure from the funds of the local bodies and for carrying out any other schemes of road improvement which may be specifically approved by Government ; and

(iii) for meeting, in the case of Municipal Councils, expenditure on proposals other than road maintenance and development which they may bring forward.

Provincial Road Fund.

In order that the local bodies may derive the full benefit of the additional grants, Government have created a Provincial Road Fund to which the balance of grant left undrawn out of the amount due for a particular year may be credited so that the amount may be available for use in subsequent years and more especially for completing road and other works begun with the aid of the additional grant. A sum of Rs. 21·83 lakhs has been provided as additional grants out of which a sum of Rs. 15 lakhs has been provided under " 57. Miscellaneous " for disbursement in the current year and the balance of Rs. 6·83 lakhs under " 50. Civil Works—Grants-in-aid " to be transferred to the Provincial Road Fund.

Larger contribution for reduction or avoidance of debt.

(3) For the amortization of the loans raised for financing remunerative schemes, Government have been hitherto paying contribution at a rate which will not produce an accumulation sufficient to repay in full the undischarged loans on the dates of their maturity. Having regard to the facts that the earning power of the Electricity undertakings chiefly created by the loan funds substantially exceeds the interest on the debt, and that Depreciation and Special Reserve Funds have been established for the renewal and replacement of plant, etc., this rate of contribution has been considered adequate. Owing to the favourable revenue position, Government in the course of the year decided that if the budgetary position of a year permits, a contribution might be made as a temporary measure on a higher scale according to which the accumulations in the General Sinking Fund (allowing for betterment) would be sufficient, if continued on that scale, to repay the undischarged balance of the loans in full on maturity. An additional sum of Rs. 28·39 lakhs being the excess contribution on the above basis for all the loans from the year in which the contribution was first made up to and including 1941–1942, has been provided under " 23. Appropriation for reduction or avoidance of debt " for contribution to the Sinking Fund for the amortization of the loans.

Contribution to the Fund for the development of Rural Water-supply.

(4) A sum of Rs. 10 lakhs has been provided under " 39. Public Health " for transfer to the Fund for the development of Rural water-supply, as it is anticipated that there will not be sufficient balance in the Fund at the end of March 1943, for further expenditure on rural water-supply schemes and extraordinary calls on revenue as a result of the war may make it more difficult to provide funds later.

A.R.P. expenditure.

(5) In the Budget Estimate for 1941–1942, a sum of Rs. ·50 lakh was provided for expenditure on Air Raid Precautions and credit was taken for an equivalent sum as recovery from the Central Government. Since the budget estimate was framed, the situation especially in the Far East, has deteriorated and the coastal towns in this Province are more likely to be exposed to enemy attacks by air and sea. A sum of Rs. 45·09 lakhs has been provided under " 64. B—Civil Defence— Air Raid Precautions " for expenditure on A.R.P. measures, construction of slit trenches, Fire Brigade and Auxiliary Fire Service, etc. A lump sum of about Rs. 5 lakhs has been included in the amount mentioned above to meet any further possible A.R.P. expenditure such as relief of evacuees and refugees. It is not expected, in view of the latest arrangement proposed by the Government of India for the apportionment of cost of A.R.P. measures and Civil Defence between the Central and Provincial Governments, that any amount will be recoverable from the Government of India in the current year and no credit has therefore been taken for any recovery.

Electricity expenditure met from revenues.

(6) The Government did not raise a loan in the current year to finance remunerative electricity schemes, but have decided to meet Rs. 75 lakhs of the capital expenditure on Electricity Schemes including an account adjustment of Rs. 27·48 lakhs on account of Electricity Stores from the revenue account.

Relief of unemployment among weavers in Salem.

(7) For relief of distress among weavers in Salem town, Government have sanctioned

(i) the opening of weavers' relief centres in Salem town on the lines laid down in the Famine Code ; and

(ii) pending the opening of relief centres, the grant of gratuitous relief to the weavers.

Under the scheme, yarn is to be purchased by Government and distributed to the weavers to be woven into cloths of the usual Salem type. The weavers are to paid wages according to a fixed rate and the manufactured cloths delivered by the weavers are to be disposed of by Government to the best advantage. A sum of Rs. 8·97 lakhs has been provided under " 57. Miscellaneous " for this purpose.

Minor increases or decreases under other heads are explained in Part II of the Memorandum.

Capital expenditure outside the revenue account.

10. The revised estimate shows a capital expenditure of Rs. 39·88 lakhs. This is exclusive of the expenditure of Rs. 75 lakhs on Electricity Schemes proposed to be met from the revenue account. As against the budget estimate of Rs. 54·57 lakhs there is a decrease of Rs. 14·69 lakhs. The decrease is chiefly due to a special credit under

Irrigation Projects on account of sale of tools and plant, savings in the provision for electricity extension schemes due to restrictions on further extension on account of the difficulty of obtaining electrical stores and short expenditure on Civil Works due to shortage of steel and iron, the increase in electricity expenditure due to the transfer of stock balances of electricity stores to the capital account having been offset by the transfer of additional electricity expenditure to the revenue account.

Loans and Advances by the Provincial Grovernment.

11. The Budget Estimate for 1941–1942 took credit for a recovery of Rs. 92·01 lakhs and provided for the disbursement of advances to the extent of Rs. 1,01·44 lakhs. The revised estimate takes credit for Rs. 92·23 lakhs and provides for the disbursement of Rs. 87·32 lakhs, that is, Rs. 14·12 lakhs less. The Central Co-operative Land Mortgage Bank is expected to take an advance of Rs. 33 lakhs only against Rs. 50 lakhs provided in the budget. This decrease is partly offset by increases in the grant of advances to local bodies to cover deficits and to co-operative building societies.

Other Debt and Deposit and Remittance transactions.

12. As compared with the budget estimates the chief variations calling for special mention are the following :—

(i) *Sinking Fund Investment Account* (+ 53·50 *lakhs*).—The Budget Estimate did not provide for the investment of balances in the General Sinking Fund. The revised estimate provides for the investment of the accumulations in the Fund to the end of the current year in 3 per cent 1949-1952 Defence Bonds which will mature for payment before any of the Madras Government loans mature for payment.

(ii) *Cash Balance Investment Account* (— 35·00 *lakhs*).—The Budget Estimate for 1941–1942 provided for a total maturity of Rs 4,00 lakhs of Central Government Treasury Bills and a total investment of Rs. 3,55 lakhs in those bills. The transactions for 1941–1942 would have thus resulted in a net credit of Rs. 45 lakhs. The revised estimate provides for a total maturity of Rs. 7,25 lakhs and a total investment of Rs. 7,15 lakhs. The transactions according to the revised estimate will result in a net credit of Rs. 10 lakhs. There is thus a worsening of Rs. 35 lakhs as compared with the budget estimate.

As a result of the above variations and other variations which do not require special mention, there is a net receipt of Rs. 15·81 lakhs against the budget estimate of Rs. 60·09 lakhs.

Summary for the year 1941–1942.

13. The year 1941–1942 started with an opening balance of Rs. 53·73 lakhs in cash and Rs. 2,94·48 lakhs invested in Central Government Treasury Bills. Land Revenue concessions have been granted in the year as in previous years and this entails a loss of revenue of Rs. 71·39 lakhs. No loan was raised for financing remunerative capital expenditure. The revised estimate of the year, besides making provision for the ordinary requirements of the year, includes provision amounting to Rs. 1,44·28 lakhs for the special items of expenditure referred to in paragraph 9 above. The year is expected to close with a balance of Rs. 52·18 lakhs in cash and Rs. 2,84·48 lakhs temporarily invested in Central Government three months Treasury Bills maturing early in 1942–1943. In addition to the above balances, the Government will have on 31st March 1942 securities purchased for a sum of Rs. 1,19·08 lakhs and held in the Famine Relief Fund and Electricity Reserve Funds and Rs. 53·50 lakhs of 1949–1952 Defence Bonds held in the Sinking Fund Investment Account.

BUDGET ESTIMATE, 1942–1943.

Budget Estimate for 1942–1943 Abstract.

14. The Budget Estimate for 1942–1943 may be summarised as shown below :—

	Revised Estimate, 1941–1942.		Budget Estimate, 1942–1943.	
	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.
(A) Opening balance		53·73		52·18
Revenue account—				
Revenue	19,41·90		18,97·87	
Expenditure on Revenue Account ..	19,24·29		18,94·28	
(B) Surplus		17·61		3·59
(C) Capital Expenditure ..		39·88		65·68
Loans and Advances by the Provincial Government—				
Receipts	92·23		92·89	
Disbursements	87·32		90·60	
(D) Net loan receipts..		4·91		2·29
(E) Other debt, deposits and advances and Remittance heads—				
Net receipts		15·81		60·39
(F) Closing Balance (A + B — C + D + E)		52·18		52·77

Revenue, 1942–1943.

15. The Budget Estimate for 1942–1943 anticipates a revenue of Rs. 18,97·87 lakhs against Rs. 19,41·90 lakhs for the year 1941–1942 resulting in a decrease of Rs. 44·03 lakhs. The chief decreases are—

Provincial Excise (— 29·08 *lakhs*).—The estimate of revenue under Provincial Excise, fixed with reference to the rentals received for the arrack and toddy shops for the current year and the actual revenue received up to the end of November 1941, slightly exceeds the Revised Estimate for 1941–1942. In view, however, of the deterioration of the situation in the Far East, the Government doubt whether such high rentals for arrack and toddy shops and such large revenue under other heads as in the current year will be realized next year. They have therefore, in consultation with the Board of Revenue, framed a more conservative estimate and have also allowed for a refund of Rs. 10 lakhs that may possibly have to be made to the contractors for excise shops in the event of any fall in sales.

Receipts under Motor Vehicles Acts (— 1·40 *lakhs*) *and Other Taxes and Duties* (— 3·65 *lakhs*).—Owing to petrol rationing it is expected that the number of motor vehicles on the road will be reduced and that there will be a reduction in the consumption of petrol. This accounts for the decrease of revenue under the two heads. Pending the Federal Court's decision in the appeal against the High Court's judgment regarding taxation of first sales of manufactured goods, no reduction has been made in the estimate of revenue under commercial taxes.

Industries (— 4·73 *lakhs*).—Owing to restriction of production of quinine on account of shortage of bark, it is expected that the receipts from the sale of quinine products will be less as also the receipts from the sale of ligature guts to the Medical Stores Depot.

Receipts from Electricity Scheme (— 28·32 *lakhs*).—In 1941–1942, there was a special credit of Rs. 27·48 lakhs due to the transfer of the value of stock balance of Electricity Stores to a suspense head in the capital account. There will be no such credit in 1942–1943. This accounts for the decrease in the net revenue.

These decreases have been partly offset by increases under Income-tax owing to larger assignment in 1942–1943 (Rs. 19·20 lakhs) and under Agriculture due to the anticipated larger grant by the Government of India from the Groundnut Fund (Rs. 2·65 lakhs). Apart from these variations, there are minor increases or decreases under other heads which have been explained in Part II of the Memorandum and which are not therefore repeated here.

Expenditure on Revenue Account.

16. According to the Budget Estimate for 1942–1943 an expenditure of Rs. 18,94·28 lakhs, including an expenditure of Rs 46·77 lakhs on new schemes of expenditure, is anticipated in the year as against an expenditure of Rs. 19,24·29 lakhs in 1941–1942, that is, a net decrease of Rs. 30·01 lakhs. The chief items contributing to this decrease are—

(1) a reduction of Rs. 18·35 lakhs under " 23. Appropriation for reduction or avoidance of debt." The budget estimate provides for contribution on the revised basis for the budget year only while the revised estimate includes provision for excess contribution for the previous years ;

(2) the absence of provision of Rs. 10 lakhs under " 39. Public Health " for transfer to the Fund for the development of Rural Water-supply ;

(3) a reduction of Rs. 75 lakhs under " 53. Capital outlay on Electricity Schemes " as it is not proposed to meet any part of the expenditure on Electricity Schemes from the revenue account in 1942–1943.

These decreases are partly offset by increases under " 64-B. Civil Defence—Air Raid Precautions " (Rs. 15·01 lakhs), under Dearness Allowance to low-paid Government servants and menials owing to provision for a full year and allowing for the possibility that the rate of allowance may have to be increased (Rs. 8·55 lakhs), under Police chiefly for the strengthening of the Presidency General Reserves and District Armed Reserves (Rs. 7·76 lakhs) and under 57. Miscellaneous by the provision of Rs. 15 lakhs for the relief of weavers againt Rs. 8·97 lakhs in 1941–1942. The increases due to the addition of new schemes of expenditure and other causes and also minor decreases under other heads of account have been explained in detail under each grant in Part II of the Memorandum.

New Schemes of expenditure in 1942–1943

17. The total cost of the new schemes for which provision has been made in the Budget Estimate for 1942–1943 is Rs. 46·77 lakhs while their ultimate cost both recurring and non-recurring is Rs. 64·44 lakhs. Among the more important schemes may be mentioned the scheme for payment of compensation to local bodies for the loss of income

that may be sustained by them due to the introduction of the Profession Tax Limitation Act which takes effect from 1st April 1942. This involves an extra cost of Rs. 7·34 lakhs a year. A provision of Rs. 10·17 lakhs has been included for grants to local bodies for village communications, for roads and bridges other than village communications and dustless surfacing of roads in built-up areas. The canals in the west coast are to be improved at an estimated cost of Rs. 1·34 lakhs. The Education department gets an additional provision of Rs. 9·97 lakhs for grants to Universities for various purposes, for teaching, building and equipment grants, for grants for public libraries and for acquisition of playgrounds and for introducing certain administrative reforms, etc. The cost of schemes relating to the Medical department is Rs. 3 lakhs while that for Public Health is Rs. 1·47 lakhs inclusive of a lump provision of Rs. ·82 lakh for grant to local bodies for the maintenance of maternity and child-welfare centres. The Labour department gets an allotment of Rs. 2·19 lakhs for the extension of its activities, while the cost of schemes relating to Development services (Agriculture, Veterinary, Co-operation and Industries) is Rs. 2·83 lakhs. The schemes relating to all these departments as well as other departments which have not been specially mentioned above, are detailed in Appendix I to this Memorandum.

Capital Expenditure outside the Revenue Account.

18. The total capital expenditure outside the revenue account provided in the estimate is Rs. 65·68 lakhs. The estimate provides for larger expenditure in 1942–1943 on the headquarters hospitals at Calicut, Madura and Trichinopoly and on the King George Hospital at Vizagapatam and a small provision only has been made for the Papanasam Hydro-Thermal scheme as the major portion of the works programmed is expected to be completed in the current year. The provision included for new schemes is relatively small (Rs. 1·42 lakhs) due to the Iron and Steel Control Order. Among the new schemes may be mentioned the proposal to construct a new headquarters hospital buildings at Tuticorin at an estimated cost of Rs. 5·48 lakhs.

Loans and Advances by the Provincial Government.

19. The budget estimate for 1942–1943 takes credit for a recovery of Rs. 92·89 lakhs and for advances to the extent of Rs. 90·60 lakhs inclusive of the amount of Rs. 50 lakhs for short-term loans to the Madras Co-operative Central Land Mortgage Bank. Owing to the restrictions on the use of steel and iron, the amount provided for new loans to local bodies is only Rs. 4·97 lakhs against Rs. 13·94 lakhs provided in the budget estimate for 1941–1942.

Debt, Deposit and Advances, Remittance heads.

20. The chief variations under other Debt, Deposit, Advances and Remittance heads are—

(1) *Sinking Fund Investment Account* (+ 32·50 *lakhs*).—While the revised estimate for 1941–1942 provides for investment of the contributions made to the General Sinking Fund in previous years as also the contribution for the year 1941–1942 amounting to Rs. 53·50 lakhs, the budget provides for investment of the contribution for 1942–1943 only amounting to Rs. 21 lakhs.

(2) *Cash Balance Investment Account* (+ 75·00 *lakhs*).—The revised estimate for 1941–1942 provides for a total maturity of Rs. 725 lakhs of Central Government Treasury Bills, and a total investment of Rs. 715 lakhs in those bills. The year's transaction will thus result in a *net credit* of Rs. 10 lakhs. On the other hand the budget provides for a total maturity of Rs. 635 lakhs and a total investment of Rs. 550 lakhs. The transactions of the year are estimated to result in a *net credit* of Rs. 85 lakhs. There is thus a betterment of Rs. 75 lakhs comparing the revised estimate and the budget estimate.

As a result of the variations mentioned above and other variations which do not require special mention, the net receipt is expected to be Rs. 60·39 lakhs as against Rs. 15·81 lakhs in 1941–1942.

Summary of the Budget Estimate, 1942–1943.

21. The year is expected to start with an opening balance of Rs. 52·18 lakhs in cash, and Rs. 284·48 lakhs in Central Government three months Treasury Bills. The estimate of Land Revenue allows for the grant of land revenue concessions as in the current and previous years. This entails a loss of revenue of Rs. 71·20 lakhs. The Commercial Taxes will be collected at the existing rate. It is not proposed to raise a loan in the open market for financing remunerative capital expenditure. The estimate provides, in addition to the ordinary transactions for the year, Rs. 22·57 lakhs for additional grants to local bodies to make good the deficiency in toll compensation income, Rs. 60·10 lakhs for Passive Civil Defence and Rs. 52·91 lakhs for new schemes debitable to the revenue, capital and

debt heads. The year is expected to close with a balance of Rs. 52·77 lakhs in cash and Rs. 1,99·48 lakhs in Central Government Treasury Bills. There will also be on 31st March 1943 securities purchased for a sum of Rs. 138·83 lakhs and held in the Famine Relief Fund and Electricity Reserve Funds and Rs. 74·50 lakhs of 1949–1952 Defence Bonds in the Sinking Fund Investment Account.

Outstanding liabilities and assets of the Madras Government.

22. A review of the finances of the Province would not be complete without a reference to the outstanding liabilities and assets of the Government. Appendix II of the Memorandum gives a detailed statement of the liabilities and assets of the Government. The total liabilities are estimated to be Rs. 24,12·04 lakhs on 31st March 1943 and the assets on that date are estimated at Rs. 38,96·04 lakhs.

W. SCOTT BROWN,
Financial Secretary.

12th February 1942.

SUMMARY OF THE FINANCIAL POSITION FROM 1940–1941 (ACCOUNTS) TO 1942–1943 (BUDGET).

A. STATEMENT OF THE REVENUE AND

Revenue.

Major head. (1)	Accounts, 1940–1941. (2)	Budget Estimate, 1941–1942. (3)	Revised Estimate, 1941–1942. (4)	Budget Estimate, 1942–1943. (5)
	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.
A. Principal Heads of Revenue.				
IV. TAXES ON INCOME OTHER THAN CORPORATION TAX	62·40	63·75	1,09·05	1,28·25
VII. LAND REVENUE—				
GROSS RECEIPTS	7,35·24	7,37·51	7,64·31	7,62·81
Deduct—PORTION OF LAND REVENUE DUE TO IRRIGATION	—2,35·12	— 2,24·01	— 2,29·05	— 2,29·41
NET RECEIPTS	5,00·12	5,13·50	5,35·26	5,33·40
VIII. PROVINCIAL EXCISE	3,39·65	3,45·49	3,70·02	3,40·94
IX. STAMPS	1,80·14	1,82·39	1,80·49	1,80·41
X. FOREST	48·48	42·00	46·67	45·83
XI. REGISTRATION	37·14	37·92	38·72	38·42
XII. RECEIPTS UNDER MOTOR VEHICLES ACTS	79·87	79·09	78·13	76·73
XIII. OTHER TAXES AND DUTIES ..	1,30·02	1,18·97	1,15·59	1,11·94
C. Irrigation, Navigation, Embankment and Drainage Works.				
XVII. IRRIGATION, NAVIGATION, EMBANKMENT AND DRAINAGE WORKS FOR WHICH CAPITAL ACCOUNTS ARE KEPT—				
DIRECT RECEIPTS ..	6·87	6·36	6·39	6·29
PORTION OF LAND REVENUE DUE TO WORKS.	1,44·38	1,42·40	1,39·72	1,39·91
Total—GROSS RECEIPTS ..	1,51·25	1,48·76	1,46·11	1,46·20
Deduct—WORKING EXPENSES.	—40·62	— 36·81	— 43·14	— 38·92
NET RECEIPTS	1,10·63	1,11·95	1,02·97	1,07·28
XVIII. IRRIGATION, NAVIGATION, EMBANKMENT AND DRAINAGE WORKS FOR WHICH NO CAPITAL ACCOUNTS ARE KEPT—				
DIRECT RECEIPTS ..	2·00	1·83	1·87	1·85
PORTION OF LAND REVENUE DUE TO WORKS ..	90·74	81·61	89·33	89·50
Total ..	92·74	83·44	91·20	91·35
E. Debt Services.				
XX. INTEREST	24·40	24·33	25·08	25·09
F. Civil Administration.				
XXI. ADMINISTRATION OF JUSTICE ..	20·33	17·75	21·81	20·82
XXII. JAILS AND CONVICT SETTLEMENTS	7·23	6·31	7·76	7·70
XXIII. POLICE	6·79	6·79	6·77	6·71
Carried over ..	16,39·94	16,33·68	17,29·52	17,14·87

OF THE EXPENDITURE ON REVENUE ACCOUNT.

Expenditure.

Major head. (1)	Accounts, 1940–1941. (2)	Budget Estimate, 1941–1942. (3)	Revised Estimate, 1941–1942. (4)	Budget Estimate, 1942–1943. (5)
A. Direct Demands on the Revenue.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.
7. Land Revenue	22·85	21·87	22·39	22·17
8. Provincial Excise	28·13	28·59	28·32	28·96
9. Stamps	5·41	5·09	5·51	5·53
10. Forest	37·52	37·19	36·26	37·56
11. Registration	28·70	29·29	28·83	28·94
12. Charges on account of Motor Vehicles Acts	71·52	71·61	70·95	69·99
13. Other Taxes and Duties ..	13·55	14·30	13·91	14·09
C. Revenue Account of Irrigation, Navigation, Embankment and Drainage Works.				
17. Interest on works for which Capital Accounts are kept ..	88·10	88·26	88·16	88·16
18. Other Revenue Expenditure financed from Ordinary Revenues	36·96	37·20	36·76	39·09
19. Construction of Irrigation, Navigation, Embankment and Drainage Works	·62	·44	·48	·10
E. Debt Services.				
22. Interest on debt and other obligations	68·87	67·74	65·73	66·34
Deduct—Interest transferred to commercial departments, etc.	— 1,14·12	— 1,18·61	— 1,18·08	— 1,21·37
Net amount met out of ordinary Revenues	— 45·25	— 50·87	— 52·35	— 55·03
23. Appropriation for reduction or avoidance of debt	20·56	24·09	52·48	34·13
F. Civil Administration.				
25. General Administration ..	2,69·29	2,78·81	2,76·62	2,77·24
27. Administration of Justice ..	87·48	90·88	89·85	94·92
28. Jails and Convict Settlements ..	28·75	28·31	30·86	30·38
29. Police	1,69·53	1,70·72	1,76·05	1,83·81
Carried over ..	8,63·72	8,75·78	9,05·08	9,00·04

A. STATEMENT OF THE REVENUE AND

Revenue—*cont.*

Major head. (1)	Accounts, 1940–1941. (2)	Budget Estimate, 1941–1942. (3)	Revised Estimate, 1941–1942. (4)	Budget Estimate, 1942–1943. (5)
	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.
Brought forward ..	**16,39·94**	16,33·68	**17,29·52**	**17,14·87**
F. Civil Administration—*cont.*				
XXIV. PORTS AND PILOTAGE ..	..	..	..	..
XXVI. EDUCATION	10·00	8·48	9·51	9·47
XXVII. MEDICAL	10·27	10·55	10·55	10·57
XXVIII. PUBLIC HEALTH	2·61	2·76	2·71	2·74
XXIX. AGRICULTURE	3·73	3·29	3·70	6·35
XXX. VETERINARY	1·17	1·07	1·13	1·26
XXXI. CO-OPERATION	4·22	4·12	4·16	3·92
XXXII. INDUSTRIES	26·12	26·11	29·41	24·68
XXXVI. MISCELLANEOUS DEPARTMENTS.	8·14	8·80	9·57	9·62
H. Civil Works and Miscellaneous Public Improvements.				
XXXIX. CIVIL WORKS	27·54	40·59	32·17	34·84
I. Electricity Schemes.				
XLI. RECEIPTS FROM ELECTRICITY SCHEMES—GROSS RECEIPTS.	66·41	69·23	74·67	78·43
Deduct—WORKING EXPENSES.	—28·44	—24·74	—4·66	—36·74
NET RECEIPTS	37·97	44·49	70·01	41·69
J. Miscellaneous.				
XLIV. RECEIPTS IN AID OF SUPERANNUATION	2·49	2·33	3·10	2·55
XLV. STATIONERY AND PRINTING ..	6·10	3·83	4·97	5·15
XLVI. MISCELLANEOUS	26·95	31·02	31·17	29·94
L. MISCELLANEOUS ADJUSTMENTS BETWEEN CENTRAL AND PROVINCIAL GOVERNMENTS.	·26	·25	·22	·22
LI. EXTRAORDINARY RECEIPTS ..	..	..	..	..
LII-A. TRANSFER FROM REVENUE RESERVE FUND	..	..	..	..
Grand Total—Revenue ..	**18,07·51**	**18,21·37**	**19,41·90**	**18,97·87**
EXCESS OF REVENUE OVER EXPENDITURE ON REVENUE ACCOUNT OR **Surplus**	52·76	12·75	17·61	3·59

OF THE EXPENDITURE ON REVENUE ACCOUNT—*cont.*

Expenditure—*cont.*

Major head. (1)	Accounts, 1940–1941. (2)	Budget Estimate, 1941–1942. (3)	Revised Estimate, 1941–1942. (4)	Budget Estimate, 1942–1943. (5)
	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.
Brought forward ..	8,63·72	8,75·78	9,05·08	9,00·04
F. Civil Administration—*cont.*				
36. Scientific Departments	·95	·91	·88	·95
37. Education	2,79·03	2,86·62	2,90·23	2,95·41
38. Medical	1,01·65	1,04·30	1,02·09	1,07·24
39. Public Health	35·63	26·19	35·78	24·41
40. Agriculture	20·57	22·46	22·77	29·93
41. Veterinary	12·03	12·25	12·19	13·22
42. Co-operation	14·49	15·21	14·91	15·06
43. Industries	39·33	28·25	31·19	29·78
44. Aviation	·10	·23	·29	·22
44A. Capital Outlay on Civil Aviation	..	..	·24	..
47. Miscellaneous Departments ..	21·91	23·75	24·24	26·21
H. Civil Works and Miscellaneous Public Improvements.				
50. Civil Works— Public Works Department ..	46·43	61·51	65·55	65·66
Grants-in-Aid	69·50	97·94	90·91	95·79
Total ..	1,15·93	1,59·45	1,56·46	1,61·45
I. Electricity Schemes.				
52. Interest on Capital Outlay on Electricity Schemes	25·42	29·56	29·20	32·70
52A. Other Revenue Expenditure connected with Electricity Schemes	·54	·19	·35	1·15
53. Capital Outlay on Electricity Schemes	13·50	45·00	75·00	..
J. Miscellaneous.				
54. Famine	·28	1·00	3·16	3·00
55. Superannuation Allowances and Pensions	1,10·10	1,11·97	1,13·17	1,18·68
55A. Commutation of Pensions Financed from Ordinary Revenues	1·40	1·25	·35	1·40
56. Stationery and Printing ..	29·99	22·75	28·27	28·48
57. Miscellaneous	8·91	5·50	32·70	44·94
63. Extraordinary Charges	·01	..	·65	— ·09
64A. Transfer to Revenue Reserve Fund	58·50	36·00	..	..
64B. Civil Defence	·76	..	45·09	60·10
Grand Total—Expenditure on Revenue Account	**17,54·75**	**18,08·62**	**19,24·29**	**18,94·28**
Excess of Expenditure on Revenue Account over Revenue or **Deficit**.	..	..	..	..

B. STATEMENT OF RECEIPTS

Receipts.

Head of account. (1)	Accounts, 1940–1941. (2)	Budget Estimate, 1941–1942. (3)	Revised Estimate, 1941–1942. (4)	Budget Estimate, 1942–1943. (5)
	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.
EXCESS OF REVENUE OVER EXPENDITURE	52·76	12·75	17·61	3·59
N. Public Debt Incurred.				
I. PERMANENT DEBT	69·52	..	..	..
II. FLOATING DEBT—				
TREASURY BILLS	3,75·00	4,50·00	1,00·00	1,50·00
OTHER FLOATING LOANS ..	2,38·00	4,00·00	3,00·00	3,50·00
III. LOANS FROM THE CENTRAL GOVERNMENT	..	..	..	..
Total ..	**6,82·52**	**8,50·00**	**4,00·00**	**5,00·00**
O. Unfunded Debt.				
STATE PROVIDENT FUNDS	72·55	73·65	72·55	73·64
Total ..	**72·55**	**73·65**	**72·55**	**73·64**
P. Deposits and Advances.				
I. Deposits Bearing Interest—				
DEPOSITS OF DEPRECIATION RESERVE OF GOVERNMENT COMMERCIAL CONCERNS	·20	·21	·24	·24
II. Deposits Not Bearing Interest—				
(A) Sinking Funds—				
APPROPRIATION FOR REDUCTION OR AVOIDANCE OF DEBT—				
SINKING FUNDS	14·43	17·68	46·52	29·03
OTHER APPROPRIATIONS ..	6·13	6·41	6·41	6·70
SINKING FUND INVESTMENT ACCOUNT	..	..	..	..
Carried over ..	20·76	24·30	53·17	35·97

AND DISBURSEMENTS.

Disbursements.

Head of account. (1)	Accounts, 1940–1941. (2)	Budget Estimate, 1941–1942. (3)	Revised Estimate, 1941–1942. (4)	Budget Estimate, 1942–1943. (5)
	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.
EXCESS OF EXPENDITURE OVER REVENUE	..	..	..	..
CAPITAL EXPENDITURE OUTSIDE THE REVENUE ACCOUNT.				
68. CONSTRUCTION OF IRRIGATION, NAVIGATION, EMBANKMENT AND DRAINAGE WORKS ..	2·75	1·49	— 1·75	1·97
72. CAPITAL OUTLAY ON INDUSTRIAL DEVELOPMENT ..	·45	·90	1·39	1·24
72A. CAPITAL OUTLAY ON CIVIL AVIATION	..	..	..	..
81. CAPITAL ACCOUNT OF CIVIL WORKS OUTSIDE THE REVENUE ACCOUNT ..	10·82	15·81	11·56	16·74
81A. CAPITAL OUTLAY ON ELECTRICITY SCHEMES ..	43·11	36·37	28·68	45·73
83. PAYMENTS OF COMMUTED VALUE OF PENSIONS ..	— 2·02	..	..	..
Total ..	**55·11**	**54·57**	**39·88**	**65·68**
N. Public Debt discharged.				
I. PERMANENT DEBT	7·69	8·04	2·25	13·79
II. FLOATING DEBT— TREASURY BILLS	3,75·00	4,50·00	1,00·00	1,50·00
OTHER FLOATING LOANS ..	2,38·00	4,00·00	3,00·00	3,50·00
III. LOANS FROM THE CENTRAL GOVERNMENT	6·13	6·41	6·41	6·70
Total ..	**6,26·82**	**8,64·45**	**4,08·66**	**5,20·49**
O. Unfunded Debt.				
STATE PROVIDENT FUNDS	57·80	61·70	60·69	63·56
Total ..	**57·80**	**61·70**	**60·69**	**63·56**
P. Deposits and Advances.				
I. Deposits Bearing Interest— DEPOSITS OF DEPRECIATION RESERVE OF GOVERNMENT COMMERCIAL CONCERNS ..	·07	·07	·05	·01
II. Deposits Not Bearing Interest— *(A) Sinking Funds—* APPROPRIATION FOR REDUCTION OR AVOIDANCE OF DEBT— SINKING FUNDS	7·39	8·02	2·34	13·75
SINKING FUND INVESTMENT ACCOUNT	..	..	53·50	21·00
Carried over ..	7·46	8·09	55·89	34·76

B. STATEMENT OF RECEIPTS

Receipts—*cont.*

Head of account. (1)	Accounts, 1940–1941. (2)	Budget Estimate, 1941–1942. (3)	Revised Estimate, 1941–1942. (4)	Budget Estimate, 1942–1943. (5)
	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.
Brought forward ..	20·76	24·30	53·17	35·97
P. Deposits and Advances—*cont.*				
II. Deposits Not Bearing Interest—cont.				
(*B*) *Reserve Funds*—				
Famine Relief Fund	2·52	2·30	2·32	2·41
Provincial Road Fund—Other Account	..	..	6·83	7·57
Fund for the Development of Rural Water-supply ..	10·01	..	10·00	..
Revenue Reserve Fund ..	58·50	36·00	..	..
Depreciation Reserve Fund—Electricity	8·28	8·63	12·22	12·69
Special Reserve Fund—Electricity	3·31	3·45	3·93	5·08
Depreciation Reserve Fund—Government Presses	1·29	1·37	1·37	..
(*C*) *Other Deposit Accounts*—				
Deposits of Local Funds—				
District Funds	5,58·34	5,62·10	5,79·10	5,72·10
Municipal and other Funds.	2,67·88	2,68·81	2,85·05	2,71·35
Departmental and Judicial Deposits—				
Civil Deposits	6,30·21	4,31·41	5,38·88	5,47·24
Other Accounts—Subventions from Central Road Fund	19·29	30·19	18·60	25·01
Deposit Account of Grants for Economic Development and Improvement of Rural Areas	3·92	4·65	5·92	4·86
Deposit Account of the Grant made by the Indian Central Cotton Committee.	·21	·14	·14	10
Deposit Account of the Grant made by the Imperial Council of Agricultural Research	1·29	1·08	1·10	1·10
Deposit Account of Contributions for Cattle Improvement	..	..	..	..
Carried over ..	15,85·81	13,74·43	15,18·63	14,85·48

AND DISBURSEMENTS—*cont.*

Disbursements—*cont.*

Head of account. (1)	Accounts, 1940–1941. (2)	Budget Estimate, 1941–1942. (3)	Revised Estimate, 1941–1942. (4)	Budget Estimate, 1942–1943. (5)
	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.
Brought forward ..	7·46	8·09	55·89	34·76
P. Deposits and Advances—*cont.*				
II. Deposits Not Bearing Interest—cont.				
(*B*) *Reserve Funds*—				
Famine Relief Fund	·08	5·00	6·00	2·50
Provincial Road Fund—Other Account	..	..	..	..
Fund for the Development of Rural Water-supply ..	4·57	6·50	6·23	10·11
Revenue Reserve Fund ..	..	..	..	..
Depreciation Reserve Fund—Electricity	7·94	8·59	19·98	12·86
Special Reserve Fund—Electricity	3·34	3·31	6·61	5·09
Depreciation Reserve Fund—Government Presses ..	·38	·50	·54	·28
(*C*) *Other Deposit Accounts*—				
Deposits of Local Funds—				
District Funds	5,64·37	5,63·10	5,76·10	5,72·10
Municipal and other Funds ..	2,75·51	2,75·66	2,83·55	2,73·35
Departmental and Judicial Deposits—				
Civil Deposits	6,09·57	4,41·30	5,09·98	5,57·79
Other Accounts—				
Subventions from Central Road Fund	17·11	30·19	22·74	25·01
Deposit Account of Grants for Economic Development and Improvement of Rural Areas	4·18	5·78	6·93	5·19
Deposit Account of the Grant made by the Indian Central Cotton Committee	·20	·14	·15	·15
Deposit Account of the Grant made by the Imperial Council of Agricultural Research	1·30	1·09	1·20	1·11
Deposit Account of Contributions for Cattle Improvement	·01	..	·01	..
Carried over ..	14,96·02	13,49·25	14,95·91	15,00·30

Receipts—*cont.*

Head of account. (1)	Accounts, 1940–1941. (2)	Budget Estimate, 1941–1942. (3)	Revised Estimate, 1941–1942. (4)	Budget Estimate, 1942–1943. (5)
	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.
Brought forward ..	15,85·81	13,74·43	15,18·63	14,85·48
P. Deposits and Advances—*cont.*				
II. Deposits Not Bearing Interest—cont.				
(C) Other Deposit Accounts—cont.				
OTHER ACCOUNTS—*cont.*				
DEPOSIT ACCOUNT OF GRANT FROM THE CENTRAL GOVERNMENT FOR THE DEVELOPMENT OF SERICULTURAL INDUSTRY.	·22	·34	·26	·40
DEPOSIT ACCOUNT OF GRANTS FROM THE CENTRAL GOVERNMENT FOR THE DEVELOPMENT OF HANDLOOM INDUSTRY ..	·71	·69	·82	·69
DEPOSIT ACCOUNT OF GRANTS FROM THE SUGAR EXCISE FUND	·12	·26	·25	·33
DEPOSIT ACCOUNT OF GRANTS FOR THE RELIEF OF GROUND-NUT CULTIVATORS	..	..	·19	5·76
III. Advances Not Bearing Interest—				
ADVANCES REPAYABLE	37·50	34·51	34·85	34·95
PERMANENT ADVANCES	·07	·10	·16	·12
ACCOUNTS WITH THE RESERVE BANK..	1·31	·30	·31	·31
IV. Suspense—				
CASH BALANCE INVESTMENT ACCOUNT	3,69·00	4,00·00	7,25·00	6,35·00
OTHER SUSPENSE ACCOUNTS ..	13·48	12·04	13·24	10·04
CHEQUES AND BILLS	2,97·86	3,09·00	2,91·90	3,01·90
DEPARTMENTAL AND SIMILAR ACCOUNTS	·68	·70	·57	·57
V. Miscellaneous—				
MISCELLANEOUS GOVERNMENT ACCOUNT	7·69	8·04	2·25	13·79
Total ..	**23,14·45**	**21,40·41**	**25,88·43**	**24,89·34**
R. Loans and Advances by the Provincial Government.				
LOANS TO MUNICIPALITIES, PORT FUNDS, CULTIVATORS, ETC.—				
SHORT-TERM LOANS TO MADRAS CO-OPERATIVE CENTRAL LAND MORTGAGE BANK	53·68	50·00	46·00	50·00
OTHER LOANS	43·51	41·65	45·88	42·55
LOANS TO GOVERNMENT SERVANTS ..	·66	·36	·35	·34
Total ..	**97·85**	**92·01**	**92·23**	**92·89**

AND DISBURSEMENTS—*cont.*

Disbursements—*cont.*

Head of account. (1)	Accounts, 1940–1941. (2)	Budget Estimate, 1941–1942. (3)	Revised Estimate, 1941–1942. (4)	Budget Estimate, 1942–1943. (5)
	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.
Brought forward ..	14,96·02	13,49·25	14,95·91	15,00·30
P. Deposits and Advances—*cont.*				
II. Deposits Not Bearing Interest—cont.				
(*C*) *Other Deposit Accounts*—cont.				
OTHER ACCOUNTS—*cont.*				
DEPOSIT ACCOUNT OF GRANT FROM THE CENTRAL GOVERNMENT FOR THE DEVELOPMENT OF SERICULTURAL INDUSTRY.	·25	·35	·28	·40
DEPOSIT ACCOUNT OF GRANTS FROM THE CENTRAL GOVERNMENT FOR THE DEVELOPMENT OF HANDLOOM INDUSTRY ..	·77	·96	1·26	·69
DEPOSIT ACCOUNT OF GRANTS FROM THE SUGAR EXCISE FUND	·22	·30	·33	·33
DEPOSIT ACCOUNT OF GRANTS FOR THE RELIEF OF GROUNDNUT CULTIVATORS ..	..	..	·19	5·76
III. Advances Not Bearing Interest—				
ADVANCES REPAYABLE	37·52	34·49	36·68	34·85
PERMANENT ADVANCES	·15	·10	·14	·14
ACCOUNTS WITH THE RESERVE BANK.	·99	·35	·31	·31
IV. Suspense—				
CASH BALANCE INVESTMENT ACCOUNT	6,08·71	3,55·00	7,15·00	5,50·00
OTHER SUSPENSE ACCOUNTS ..	11·85	12·04	17·29	10·04
CHEQUES AND BILLS	3,02·86	3,09·00	2,91·90	3,00·90
DEPARTMENTAL AND SIMILAR ACCOUNTS	·62	·80	·57	·57
V. Miscellaneous—				
MISCELLANEOUS GOVERNMENT ACCOUNT	12·34	15·13	14·13	14·25
Total ..	24,72·30	20,77·77	25,73·99	24,18·54
R. Loans and Advances by the Provincial Government.				
LOANS TO MUNICIPALITIES, PORT FUNDS, CULTIVATORS, ETC.—				
SHORT-TERM LOANS TO MADRAS CO-OPERATIVE CENTRAL LAND MORTGAGE BANK	51·65	50·00	33·00	50·00
OTHER LOANS	34·91	50·97	54·03	40·31
LOANS TO GOVERNMENT SERVANTS ..	·40	·47	·29	·29
Total ..	86·96	1,01·44	87·32	90·60

B. STATEMENT OF RECEIPTS

Receipts—*cont.*

Head of account. (1)	Accounts, 1940–1941. (2)	Budget Estimate, 1941–1942. (3)	Revised Estimate, 1941–1942. (4)	Budget Estimate, 1942–1943. (5)
S. Remittances.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.
CASH REMITTANCES AND ADJUSTMENTS BETWEEN OFFICERS RENDERING ACCOUNTS TO THE SAME ACCOUNTANT-GENERAL OR COMPTROLLER	24,80·68	25,32·70	25,49·51	25,54·50
REMITTANCES BY BILLS	52·37	..	·01	..
RESERVE BANK OF INDIA REMITTANCES.	·27	..	— ·27	..
ADJUSTING ACCOUNT BETWEEN CENTRAL (NON-RAILWAYS) AND PROVINCIAL GOVERNMENTS.	— 2·42	— ·10	·05	..
INTER-PROVINCIAL SUSPENSE ACCOUNT.		..	..	..
Total ..	25,30·90	25,32·60	25,49·30	25,54·50
Total—Receipts ..	**57,51·03**	**57,01·42**	**57,20·12**	**57,13·96**
V. Opening Cash Balance ..	**1,34·48**	**58·42**	**53·73**	**52·18**
GRAND TOTAL ..	**58,85·51**	**57,59·84**	**57,73·85**	**57,66·14**

AND DISBURSEMENTS—*cont.*

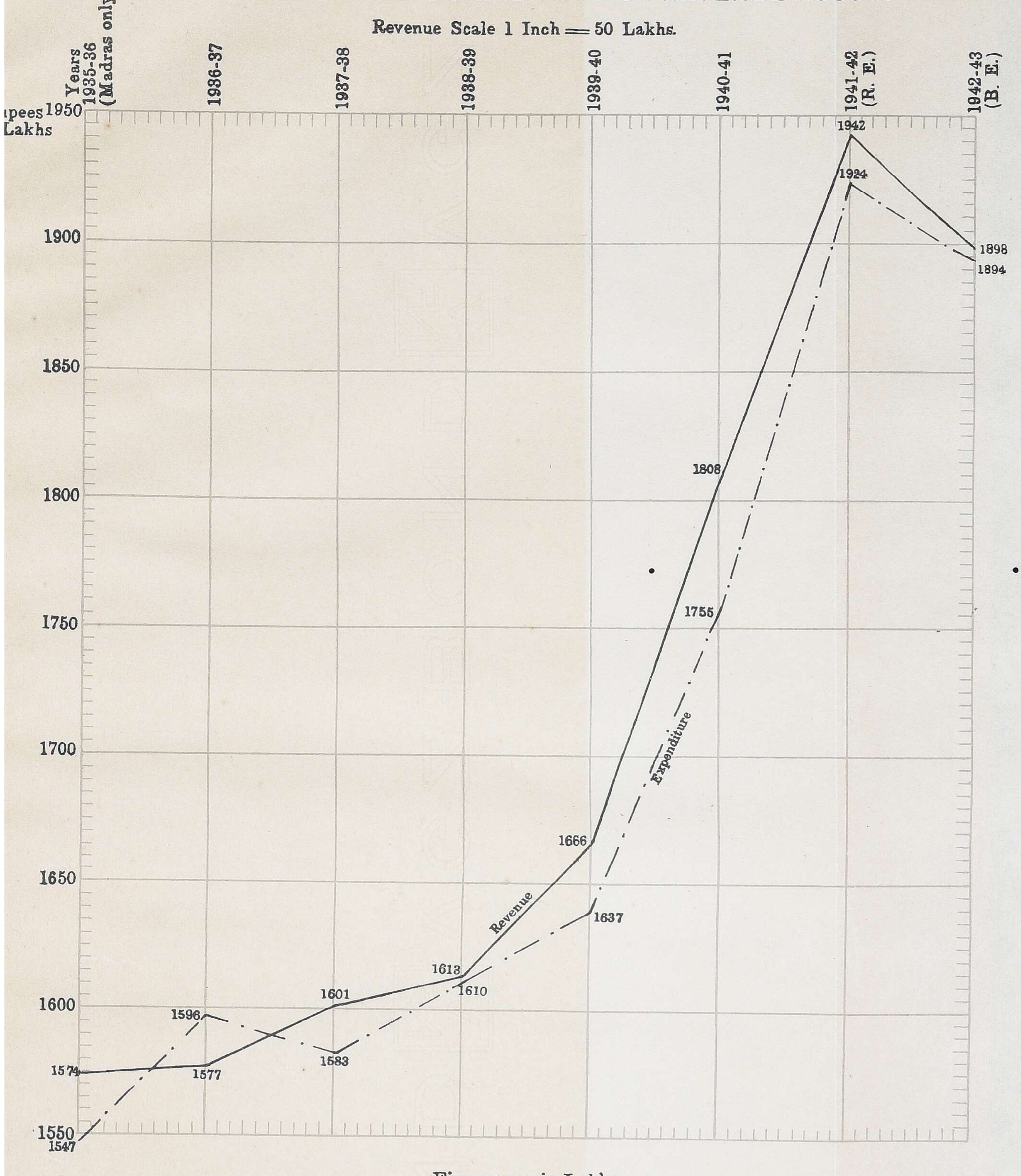
Disbursements—*cont.*

Head of account. (1)	Accounts, 1940–1941. (2)	Budget Estimate, 1941–1942. (3)	Revised Estimate, 1941–1942. (4)	Budget Estimate, 1942–1943. (5)
S. Remittances.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.
Cash Remittances and adjustments between officers rendering accounts to the same Accountant-General or Comptroller	24,78·10	25,32·70	25,51·50	25,54·50
Remittances by Bills	54·29	..	..	..
Reserve Bank of India Remittances.	·42	..	— ·41	..
Adjusting Account between Central (Non-Railways) and Provincial Governments.	·02	— ·05	..	..
Inter-Provincial Suspense Account.	— ·04	..	·04	..
Total ..	**25,32·79**	**25,32·65**	**25,51·13**	**25,54·50**
Total—Disbursements ..	**58,31·78**	**56,92·58**	**57,21·67**	**57,13·37**
V. Closing Cash Balance ..	**53·73**	**67·26**	**52·18**	**52·77**
GRAND TOTAL ..	**58,85·51**	**57,59·84**	**57,73·85**	**57,66·14**

GRAPH No. 1

TOTAL REVENUE AND EXPENDITURE ON REVENUE ACCOUNT

Revenue Scale 1 Inch = 50 Lakhs.



Figures are in Lakhs

Years	1935-36	1936-37	1937-38	1938-39	1939-40	1940-41	(R. E.) 1941-42	(B. E.) 1942-43
Revenue	1574	1577	1601	1613	1666	1808	1942	1898
Expenditure	1547	1596	1583	1610	1637	1755	1924	1894

Reg. No. 1/1 Copies 300

Helio-Zinco, Survey Office, Madras. 1942.

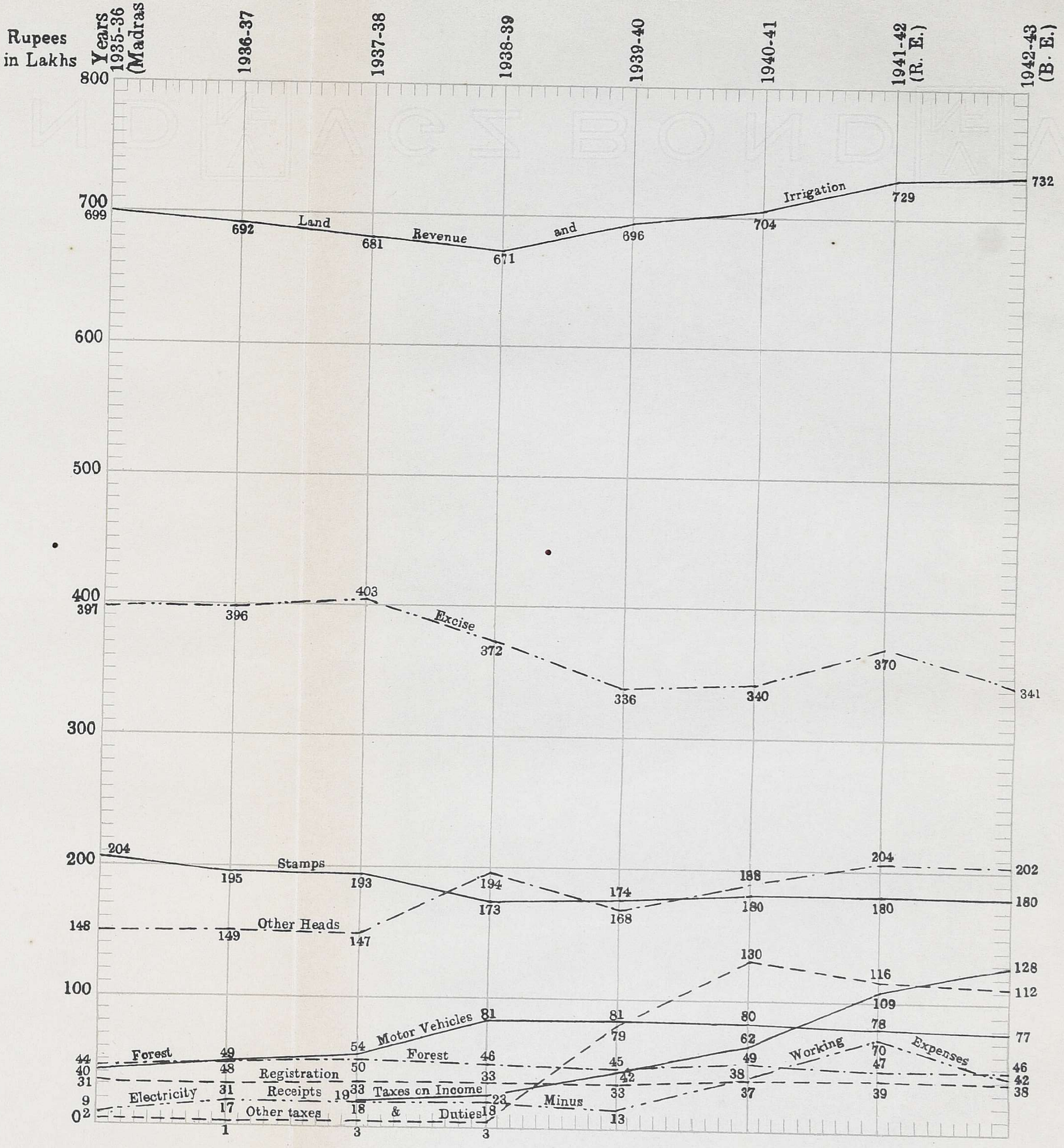
GRAPH NO. 2

REVENUE UNDER MAIN HEADS OF ACCOUNT

Scale 1 Inch = 100 Lakhs

Figures are in Lakhs

Years	Taxes on Income	Land Revenue & Irrigation, Receipts Minus working Expenses	Excise	Stamps	Forest	Registration	Motor Vehicles	Other taxes & Duties	Electricity Receipts Minus working Expenses	Other Heads
1935-36		699	397	204	44	31	40	2	9	148
1936-37		692	396	195	48	31	49	1	17	149
1937-38	19	681	403	193	50	33	54	3	18	147
1938-39	23	671	372	173	46	33	81	3	18	194
1939-40	42	696	336	174	45	33	81	79	13	168
1940-41	62	704	340	180	49	37	80	130	38	188
1941-42 (R. E.)	109	729	370	180	47	39	78	116	70	204
1942-43 (B. E.)	128	732	341	180	46	38	77	112	42	202



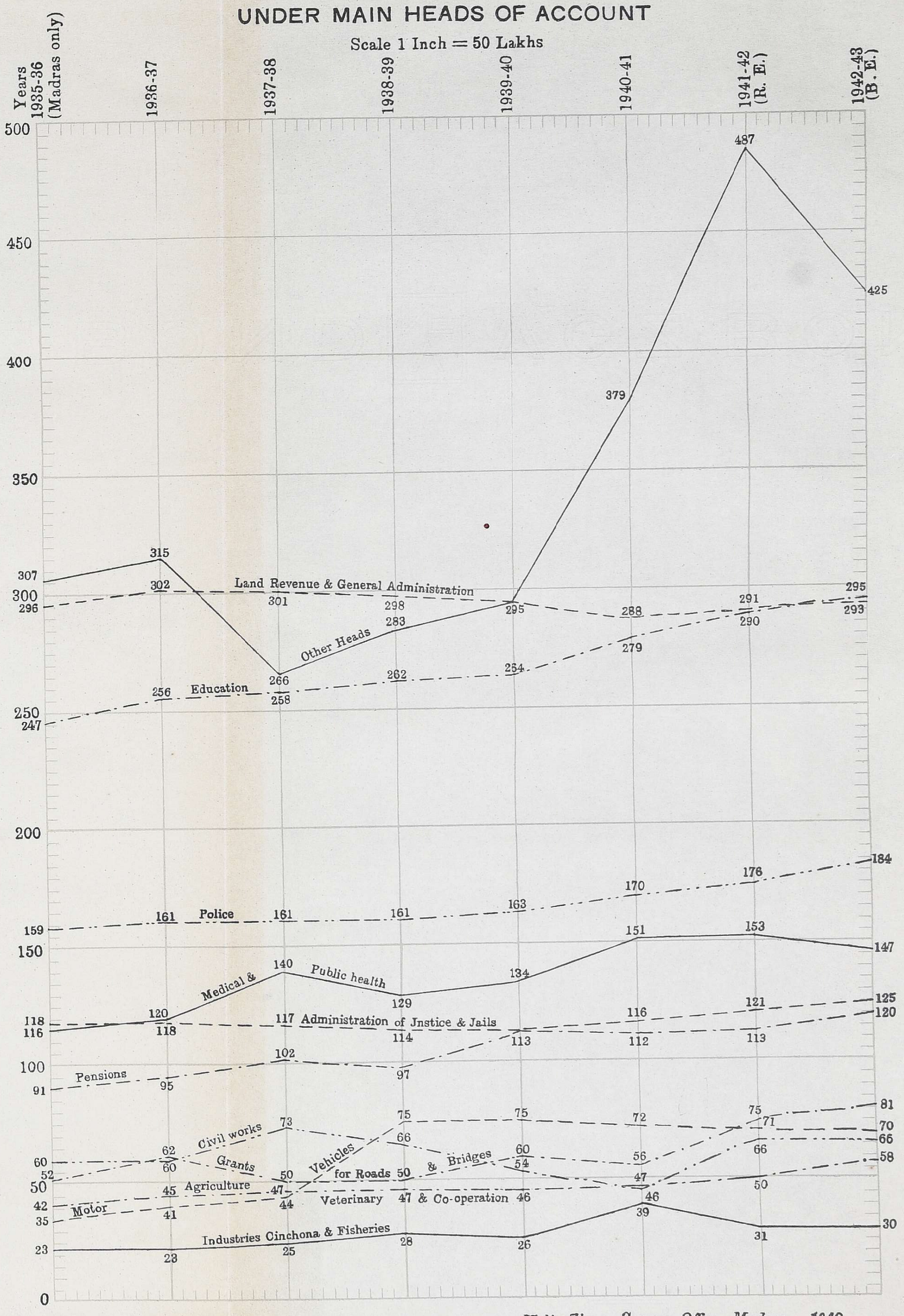
Reg. No. 1/2 Copies 300

Helio-Zinco, Survey Office, Madras. 1942.

GRAPH NO. 3

EXPENDITURE ON REVENUE ACCOUNT UNDER MAIN HEADS OF ACCOUNT

Scale 1 Inch = 50 Lakhs



Figures are in Lakhs

Years	Land Revenue & General Administration	Motor Vehicles	Administration of Justice & Jails	Police	Education	Medical & Public Health including grants for water supply & drainage schemes	Agriculture Veterinary & Co-operation	Industries Cinchona & Fisheries	Grants to Local Bodies for roads & Bridges	Civil works excluding grants	Pensions	Other Heads
1935-36	296	35	118	159	247	116	42	23	52	60	91	307
1936-37	302	41	118	161	256	120	45	23	62	60	95	315
1937-38	301	44	117	161	258	140	47	25	50	73	102	266
1938-39	298	75	114	161	262	129	47	28	50	66	97	283
1939-40	295	75	113	163	264	134	46	26	60	54	113	295
1940-41	288	72	116	170	279	151	47	39	56	46	112	379
(R. E.) 1941-42	291	71	121	176	290	153	50	31	75	66	113	487
(B. E.) 1942-43	293	70	125	184	295	147	58	30	81	66	120	425

Reg. No. 1/3 Copies 300

Helio-Zinco, Survey Office, Madras. 1942.

GRAPH No. 4

EXPENDITURE ON REVENUE ACCOUNT DISTRIBUTED OVER THREE CATEGORIES

Scale 1 Inch = 100 Lakhs

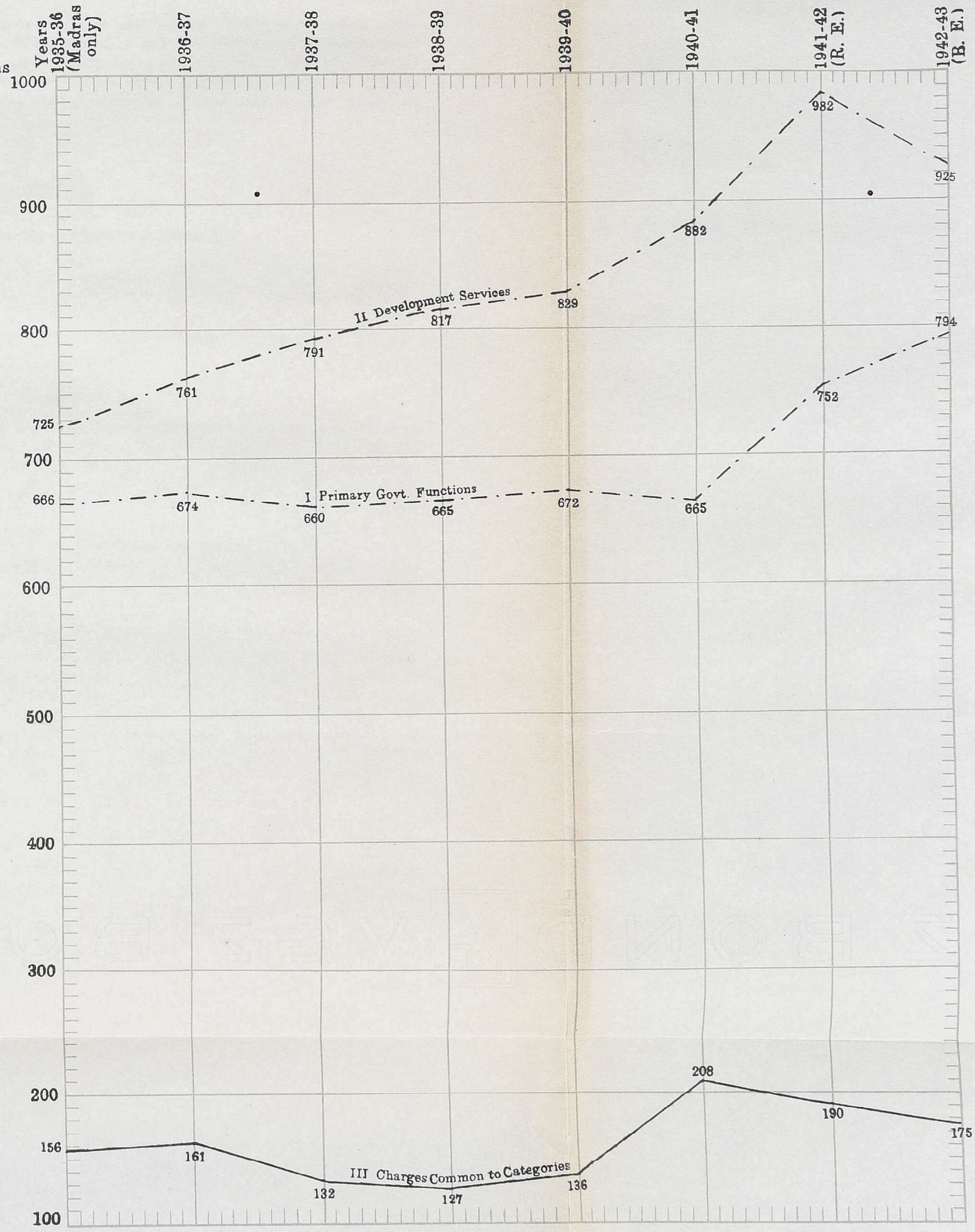
Category I- Primary Government functions.—This category includes all expenditure debited to Land Revenue, Excise, Stamps, Registration, Other Taxes and Duties, General Administration (excluding expenditure from the Central Government's grant for economic development and improvement of rural areas and expenditure on Broadcasting), Administration of Justice, Jails, Police, Aviation, Miscellaneous departments, (Inspectors of Factories and Steam Boilers, Examinations and Indian Partnership Act) Famine, Civil Defence and Miscellaneous.

Category II- Development Services.—This category includes all expenditure debited to Forest, Charges on account of Motor Vehicles Acts, Irrigation, Expenditure on economic development and improvement of rural areas financed from the Central Government's grant and debited to General Administration, Scientific departments, Electricity, Education, Medical, Public Health (including contributions to the fund for the development of rural water-supply), Agriculture, Veterinary, Co-operation, Industries (including Cinchona Plantations and Fisheries), Broadcasting, Miscellaneous departments (Labour, Registration of Births and Deaths, etc.) and expenditure on Communications and grants-in-aid.

Category III- Charges common to categories I & II.—This includes expenditure on Debt Services, Civil Works other than Communications, Pensions, Stationery and Printing and amounts transferred to Revenue reserve fund.

Figures are in Lakhs

Years	Primary Govt. Functions.	Development Services	Charges Common
1935-36	666	725	156
1936-37	674	761	161
1937-38	660	791	132
1938-39	665	817	127
1939-40	672	829	136
1940-41	665	882	208
1941-42 (R. E.)	752	982	190
1942-43 (B. E.)	794	925	175



Reg. No. 1/4 Copies 300

Helio-Zinco, Survey Office, Madras. 1942.

PART II.

Detailed Memorandum explanatory of the figures in the Budget Estimates of Revenue and Grants, and of the Madras Famine Relief Fund and Electricity Reserve Funds.

GENERAL.

Reference to pages in the Detailed Budget Estimates of Revenue.

1. This part of the memorandum is intended to explain the chief variations in the figures given in the Annual Financial Statement, as between the budget estimates and the revised estimates of the preceding year and as between those revised estimates and the budget estimates of the budget year. For this purpose the major heads of account in respect of receipts and the grants in respect of disbursements have been adopted as the main units. They are further subdivided according to minor heads, as in the Annual Financial Statement.

2. An abstract of the figures by minor heads is given first under each main unit. This is followed by general explanations of the various items of receipts or disbursements booked under each minor head, with a view to obtain a general idea of the activities of the various Government departments and the nature of the transactions recorded against each minor head. Variations in the figures are explained as a rule only if the variation exceeds ·20 lakh under a single minor head.

REVENUE.

IV. Taxes on Income other than Corporation tax.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.	
Share of net proceeds assigned to Provinces ..	62·40	63·75	109·05	128 25	1

Revenue.

3. Section 138 of the Government of India Act, 1935, lays down that taxes on income other than agricultural income shall be levied and collected by the Central Government and that a prescribed percentage of the net proceeds shall be assigned to the Provinces, etc., and shall be distributed among them in such manner as may be prescribed. Notwithstanding any such assignment, the Central Government may retain out of the moneys assigned to Provinces, etc., in each year of a prescribed period such sum as may be prescribed and in each year of a further prescribed period a progressively decreasing sum. The latter period may be extended by the Governor-General in his discretion if he is satisfied that the maintenance of the financial stability of the Federal Government requires him to do so.

4. The Government of India (Distribution of Revenues) Order, 1936, prescribes that the assignment to Provinces, etc., shall be 50 per cent of the net proceeds of the tax and that the share of the Madras Government shall be 15 per cent of the amount assigned. It also prescribes that each of the two periods referred to in section 138 shall be five years, the first period commencing from the 1st April 1937, and the second period from the expiration of the first period. According to the Government of India (Distribution of Revenues) (Amendment) Order, 1940, the sum to be retained by the Central Government out of the assignment to Provinces, etc., has been fixed at 4½ crores of rupees from 1939–1940 to 1941–1942.

Explanation of variations.

5. The budget estimate of Rs. 63·75 lakhs for 1941–1942 was based on the preliminary forecast for the year intimated by the Government of India in December 1940. The Government of India's latest estimate of Provinces' share of income-tax is Rs. 727 lakhs for 1941–1942 (including an arrear payment of Rs. 81 lakhs for 1940–1941) and Rs. 855 lakhs for 1942–1943. The Madras Government's share at 15 per cent is Rs. 109·05 lakhs for 1941–1942 and Rs. 128·25 lakhs for 1942–1943.

VII. Land Revenue.

Reference to pages in the Detailed Budget Estimates of Revenue		Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
1 and 2	Ordinary revenue	727·41	726·00	750·00	751·00
	Sale-proceeds of waste lands and redemption of land-tax	1·61	1·17	1·85	1·60
	Recoveries on account of survey and settlement charges	1·52	1·65	1·66	1·66
	Rents of fisheries	1·50	1·30	1·68	1·62
	Recoveries of overpayments	·04	·03	·03	·04
	Collection of payments for services rendered.	·01	·01	·02	·02
	Miscellaneous	4·54	8·55	10·17	8·02
	Deduct—Portion of land revenue due to irrigation	— 235·12	— 224·01	— 229·05	— 229·41
	Total ..	**501·51**	**514·70**	**536·36**	**534·55**
	Deduct—Refunds	— 1·39	— 1·20	— 1·10	— 1·15
	Grand Total ..	**500·12**	**513·50**	**535·26**	**533·40**

Revenue.

6. *Ordinary revenue.*—The main items under ' Ordinary revenue ' are the following :—

(1) Fixed peshkash (about 47 lakhs) from permanently settled estates and quit-rent (about 7 lakhs) on inam villages held on shrotriyam or favourable tenure ;

(2) Assessment on lands held under ryotwari tenure, inclusive of charges for supply of water which are consolidated with the assessment, second-crop assessment on single-crop wet lands and water-rate on dry lands including penalty for irrigation without permission ;

(3) Miscellaneous revenue, such as quit-rent on minor inams ; water-rates charged on permanently settled estates, whole inam villages and minor inams ; receipts on account of proprietary estates village service ; revenue from lands cultivated but not held on patta and from cultivated poramboke lands ; ground-rent in towns ; and rents from river islands ; and

(4) Revenue collected by the Revenue Department on behalf of other authorities, the main items being land-cess in aid of the resources of district boards (calculated at $1\frac{1}{2}$ annas in the rupee on the land revenue assessment and water-rates) and the elementary education tax levied as a surcharge on land-cess. These receipts are initially credited to the minor head Ordinary revenue and adjusted in reduction of receipts when they are passed on to the authorities on whose behalf they are collected.

7. *Sale-proceeds of waste lands and redemption of land-tax.*—These accrue from the sale of lands at the disposal of Government, the capitalized value of land revenue assessable on land acquired for the Central Government and railway administrations in certain cases, and the sale-proceeds in excess of the amount of revenue dues of lands sold for non-payment of revenue.

8. *Recoveries on account of survey and settlement charges.*—These are mostly from local bodies, estates and private persons on account of survey and settlement work undertaken on their behalf.

9. *Rents of fisheries.*—The fishery rentals collected on behalf of local bodies are credited to this head. The payment to the local bodies is shown under the expenditure head 7. Land Revenue—Assignments and compensations.

10. *Recoveries of overpayments.*—Overpayments to Government servants whose pay and allowances are debited to the head 7. Land Revenue which are recovered in a subsequent year are credited to this minor head.

11. *Collection of payments for services rendered.*—This head is intended for receipts on account of services rendered which cannot be adjusted in reduction of charges under the rules.

Reference to pages in the Detailed Budget Estimate of Revenue.

12. *Miscellaneous.*—Under this minor head are shown rents of buildings; receipts from quarries in and mineral produce from lands other than those under the management of the Forest Department; tree revenue collected on behalf of local bodies; sale-proceeds of usufructs and withered trees on Government lands; revenue from trees and minor forest produce on unreserved lands; recovery of the cost of survey instruments and maps supplied to local bodies and private parties and of printing and supply of maps to other departments; fees for revenue processes, and fines and forfeitures of revenue courts; fees for the inclusion in the regular ayacut of an irrigation system of areas already under irrigation under one form or another; and other items. 1 and 2

13. *Deduct—Portion of land revenue due to irrigation.*—In this province fees for the supply of water from Government irrigation works are consolidated with the land revenue demand and collected by the Revenue Department. For administrative purposes, an approximate amount which may be regarded as being due to the irrigation facilities provided is calculated and deducted from the head VII. Land Revenue and credited to the heads XVII. and XVIII. Irrigation, according as the irrigation sources are those for which capital and revenue accounts are kept or those for which no capital accounts are kept.

14. *Refunds.*—Land revenue and cesses collected in excess and subsequently remitted and payment to owners of the balance after adjusting Government dues of sale-proceeds of lands sold for default in payment of revenue are the main items of refunds under this head.

EXPLANATION OF VARIATIONS.

15. *Ordinary revenue.*—The increase in the revised estimate for 1941–1942 is mainly due to anticipated better collections owing to the prevailing favourable seasonal conditions except in parts of the Ceded districts and the West Coast, and to the collection of arrears of peshkash and cesses in some permanently settled estates. The budget estimate for 1942–1943 assumes that the season next year will be a normal one and that land revenue concessions will be granted in fasli 1352 on the same lines as in the current fasli.

16. *Sale-proceeds of waste lands and redemption of land tax.*—The receipts under this head are of a fluctuating character. The revised estimate for 1941–1942 is based on the progress of actuals and the budget estimate for 1942–1943 takes credit for normal receipts.

17. *Rents of fisheries.*—The estimates are based on the progress of actuals.

18. *Miscellaneous.*—The receipts under this head comprise several items of a fluctuating nature, the chief item being inclusion fees and revenue from trees and other minor forest produce on unreserved lands. The revised estimate for 1941–1942 is based on the progress of actuals. Revenue from trees and other minor forest produce on unreserved lands is expected to be less next year. Apart from that the budget estimate for 1942–1943 takes credit for normal receipts.

19. *Deduct—Portion of land revenue due to irrigation.*—The variations from the budget estimate for 1941–1942 are mainly consequent on the variations in the estimates under the head Ordinary revenue.

VIII. Provincial Excise.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.	
Country spirits	102·09	104·30	116·10	102·70	3–7
Country fermented liquor	179·70	185·62	195·42	192·72	
Malt liquors	5·02	4·84	5·80	5·25	
Wines and spirits (foreign liquors other than beer, medicated wines and commercial spirits) ..	8·11	7·93	8·25	8·08	
Receipts from commercial spirits including denatured spirits and medicated wines ..	·87	·69	·65	·65	
Opium	23·83	23·78	24·37	23·25	
Duties on medicinal and toilet preparations containing alcohol, opium, etc. ..	3·00	1·28	1·74	1·74	
Hemp and other drugs	14·69	14·85	15·22	14·26	
Receipts from distilleries	·02	·02	·02	·02	
Fines, confiscations and miscellaneous ..	2·63	2·56	2·80	2·65	
Recoveries of overpayments	·03	·04	·05	·03	
Collection of payments for services rendered ..	·12	·10	·11	·10	
Total ..	**340·11**	**346·01**	**370·53**	**351·45**	
Deduct—Refunds	— ·46	— ·52	— ·51	— 10·51	
Grand Total ..	**339·65**	**345·49**	**370·02**	**340·94**	

Reference to pages in the Detailed Budget Estimate of Revenue.

3–7

Revenue.

20. This major head records the revenue collected by the Provincial Government in connexion with the control of the manufacture, sale, consumption and other operations connected with alcoholic liquors and hemp drugs and of the sale and consumption of raw opium and manufactured drugs. It does not include the customs duty levied by the Central Government on imported liquors.

21. *Country spirits.*—Duty levied on arrack supplied to shopkeepers for sale to the public and licence fees for the contract supply of arrack for warehouses, wholesale depots and for retail sale at shops and the difference between the issue price of arrack (excluding duty) and the contract price fixed from time to time for the supply of arrack are credited to this head.

22. *Country fermented liquor.*—Tax levied on coconut, sago and date palms, palmyra and dadasal tapped for fermented toddy and licence fees for sale of toddy in shops are credited to this head.

23. *Malt liquors.*—Duty on beer brewed in Kaity and Naduvakkarai in the Province and on that imported from Bangalore, licence fees for the sale of beer and gallonage fee on beer sold under foreign liquor fixed fee licences are the main items.

24. *Wines and spirits (foreign liquors other than beer, medicated wines and commercial spirits).*—Duty on wines and spirits manufactured in India, licence fees for foreign liquor taverns, receipts from fixed fee licences which are of several kinds and include hotel, bar and refreshment room licences and fees from clubs, and gallonage fee on wines and spirits sold under the fixed fee licences are some of the main items.

25. *Receipts from commercial spirits including denatured spirits and medicated wines.*—Licence fees for the sale of rectified spirits, medicated wines, denatured spirits and methyl alcohol and gallonage fees on medicated wines and commercial spirits are the main items.

26. *Opium.*—Opium for local consumption in this Province and in Coorg, Mysore, Travancore, Cochin, Pudukkottai and the French establishments is purchased by the Madras Government from the Central Government's factory at Ghazipur at the actual cost of production fixed according to the commercial principles of costing, and the payment to the Central Government is shown as expenditure under the head 8. Provincial Excise—Cost of opium supplied to the Excise Department. When opium is supplied to Indian States and Coorg, the cost price and a small charge for incidental expenses are collected from them. When it is supplied to shops in this Province and to the French establishments, a fixed issue price for each seer representing both cost price and duty is levied, which is distributed separately in the accounts as cost price and duty. That portion which represents duty after deducting a small amount for incidental expenses is refunded to the French establishments in the following year, and the refund is debited as expenditure under the head 8. Provincial Excise—Compensations. Licence fees for the retail sale of opium to consumers and for the sale of manufactured drugs are also credited to this minor head.

27. *Duties on medicinal and toilet preparations containing alcohol, opium, etc.*—This head consists of two items, namely, spirits used in the manufacture of medicines, etc., and spirits for other commercial, scientific and industrial purposes. The major portion of the receipts under the first item is from imports from other Provinces, while that under the second item is from preparations in this Province.

28. *Hemp and other drugs.*—Under this head are credited receipts on accounts of ganja and bhang. These drugs are manufactured in this Province and stocked in Government storehouses. Ganja is issued for consumption in the Province and in Orissa, Travancore, Cochin, Pudukkottai, Sandur and the French establishments and bhang for consumption in the Province, Orissa, Central Provinces and the Civil and Military Station, Bangalore. Supplies of ganja to Orissa, Travancore, Cochin, Pudukkottai and Sandur are made on payment of cost price, while supplies for consumption in the Province and French establishments are charged duty also. Duty is charged also on supplies of bhang to the Province and the Civil and Military Station, Bangalore; but the duty on hemp drugs is refunded to the French establishments and Bangalore in the succeeding year. Receipts on account of these supplies and licence fees for retail sale of these drugs and for druggists' permits for sale of medicinal preparations of hemp drugs are credited to this head.

29. *Receipts from distilleries.*—These are licence fees for private distilleries and licence fee and rent for the Government distillery at Chowghat in Malabar.

30. *Fines, confiscations and miscellaneous.*—The more common kinds of offences under the abkari laws are illicit distillation of arrack and tapping of toddy; unlicensed possession and sale of such liquors; illicit transport and u licensed sales; adulteration; dilution; use of false measures; illicit cultivation of opium and hemp plant; smuggling; and offences relating to coca leaf. Reference to pages in the Detailed Budget Estimate of Revenue. 3–7

All penalties and forfeitures on account of these offences and compounding fees, fees charged for duplicates of licences and passes, duty on excess wastage of liquor and other sundry items, rents of residential buildings, sale-proceeds of dram measures and bungrods, of confiscated opium and of unserviceable stores and materials are credited to this head.

Receipts realized from fees for licences and permits issued under the Madras Prohibition Act, 1937, are also credited to this head, but fines realized in respect of offences under the Act are credited to XXI. Administration of Justice.

31. *Recoveries of overpayments.*—These include recoveries of excess pay and travelling allowance paid to departmental officers.

32. *Collection of payments for services rendered.*—Contributions from contract suppliers towards distillery and warehouse establishments, the recovery of the cost of the staff employed by Government on behalf of private firms for the supervision of spirituous medicinal preparations manufactured by them and the recovery of the leave-salary contributions of officers deputed to other Governments or on foreign service are credited to this head.

33. *Refunds.*—These include remissions in exceptional cases on account of losses sustained by renters and rebates of duty and tree-tax.

Explanation of variations.

34. Larger rentals have been realised for the arrack and toddy shops in the current year. There is a larger consumption of country spirits with the consequent increase in duty. The actuals of revenue realised up to date indicate that there will be increases under other heads also such as, tree tax, malt liquors, opium, etc. These account for the increase in the revised estimate for 1941–1942. The estimate of revenue for 1942–1943 fixed with reference to the rentals of arrack and toddy shops for the current year and the actual revenue realised up to date slightly exceeds the revised estimate for 1941–1942. In view however of the deterioration of the situation in the Far East, the Government doubt whether such high rentals for arrack and toddy shops and such large revenue under other heads as in the current year will be realised next year. They have therefore, in consultation with the Board of Revenue, framed a more conservative estimate and have also allowed for a refund of Rs. 10 lakhs that may have to be made to the contractors for excise shops in the event of any fall in sales.

IX. Stamps.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.	
Non-judicial—					
Sale of stamps	76·83	77·67	79·23	79·23	8–9
Duty on impressing documents	1·20	·93	1·18	1·10	
Fines and penalties	·96	·92	·92	·92	
Miscellaneous	·01	·01	·02	·02	
Total ..	**79·00**	**79·53**	**81·35**	**81·27**	
Deduct—Refunds	— 1·55	— 1·25	— 1·39	— 1·39	
Total—Non-Judicial ..	**77·45**	**78·28**	**79·96**	**79·88**	
Judicial—					
Court-fees realized in stamps	96·33	97·50	94·20	94·20	
Sale of stamped copy papers	7·44	7·43	7·37	7·37	
Fines and penalties	·01	·02	·01	·01	
Miscellaneous	·01	·01	·01	·01	
Total ..	**103·79**	**104·96**	**101·59**	**101·59**	
Deduct—Refunds	— 1·10	— ·85	— 1·06	— 1·06	
Total—Judicial ..	**102·69**	**104·11**	**100·53**	**100·53**	
Grand Total ..	**180·14**	**182·39**	**180·49**	**180·41**	

Reference to pages in the Detailed Budget Estimate of Revenue.

Revenue.

8-9

35. The major head IX. Stamps is divided into two sub-major heads :—

Non-judicial.

Judicial.

NON-JUDICIAL.

The following are the particulars of the various minor heads under " Non-Judicial " :—

36. *Sale of stamps.*—The receipts credited to this head are the sale-proceeds of stamp papers of the several monetary denominations, which form the bulk of the receipts, and of all adhesive stamps and engraved or embossed hundi papers, receipts from the other commercial documents enumerated in item 57 of the Federal Legislative List in the Seventh Schedule of the Government of India Act, 1935, namely, promissory notes, bills of lading, letters of credit, policies of insurance, proxies and receipts. The fees realized by means of non-judicial stamps on licences and permits issued by Provincial officers under the Indian Petroleum and Explosives Acts, and the rules thereunder are creditable to Central Revenues. The Government of India have fixed the cost of agency functions as the amount of fees realized on such licences and permits. The net fees realized on this account by means of non-judicial stamps are therefore deducted under this head and credited under the Central head of account " XXXVI. Miscellaneous Departments—Miscellaneous." An equivalent sum representing the payment for agency functions is credited at the same time to the Provincial head of account " L. Miscellaneous Adjustments between the Central and Provincial Governments " by debit to Central accounts—*Vide* paragraph 231 *infra.*

37. *Duty on impressing documents.*—The amounts collected from parties presenting instruments at the Stamp office in the Madras City and other prescribed offices in the mufassal for affixing adhesive stamps and impressing or perforating them are credited to this minor head. The stamp duty on documents voluntarily brought for adjudication (section 31) and duty on unstamped or insufficiently stamped documents levied by the Collectors and Courts under Chapter IV of the Indian Stamp Act are also credited to this minor head.

38. *Fines and penalties.*—When instances of insufficiently stamped or unstamped instruments come to the notice of Civil Courts or Collectors, the proper amount of duty together with a penalty is levied. The amount representing duty is credited to the appropriate minor head, while the penalty is credited to this minor head.

39. *Miscellaneous.*—This includes adjudication fees, recoveries of value of stamps lost, compounding fees collected under section 70 (3) of the Indian Stamp Act and other receipts, such as sale-proceeds of packing boxes, etc.

40. *Refunds.*—Under this head are booked refunds made under the Indian Stamp Act and the rules thereunder, of the value of stamps spoiled, rendered useless, misused, or not required for use or returned into store on resignation of the vendor's licence, or on his death or on permission being given to him to return any stamps, and also adjustments on account of refunds of fees realized under the Indian Petroleum and Explosives Acts and the rules thereunder—*Vide* paragraph 36 above.

JUDICIAL.

The following are the particulars of the various minor heads :—

41. *Court-fees realized in stamps.*—Court-fees including process-fees and fees for attestation of powers-of-attorney by magistrates and record room receipts realized in stamps impressed with the amount are credited to this minor head. Court-fees realized in cash, the amount of which is inconsiderable, are credited to XXI. Administration of Justice.

42. *Sale of stamped copy papers.*—Stamped copy papers are neither non-judicial nor judicial stamps, but are classed as ' judicial ' as they are used for transcribing copies of documents for parties in judicial and revenue courts and in public offices. The value impressed on the paper (3 annas) represents the cost of paper and of labour for copying 175 words. The sale-proceeds of stamped copy papers are credited to this minor head. Adjustments on account of receipts under the Indian Petroleum and Explosives Acts are also included under this head—*Vide* paragraph 36 above.

Reference to pages in the Detailed Budget Estimate of Revenue.

43. *Fines and penalties.*—Fines and penalties levied under the Indian Court Fees Act are credited to this head. 8-9

44. *Miscellaneous.*—This includes adjudication fees, composition duty and other items, such as the sale-proceeds of packing boxes, etc.

45. *Refunds.*—Under this head are booked refunds of excess fees collected and of the value of spoiled stamps and rebates and reliefs permitted by the Indian Court Fees Act. Adjustments on account of refunds under the Indian Petroleum and Explosives Acts are also shown under this head.

EXPLANATION OF VARIATIONS.

Non-Judicial.

46. *Sale of stamps.*—The increase in the revised and the budget estimates is based on the general improvement in the receipts during the course of 1941–1942 after allowing for any possible set-back on account of the disturbed conditions created by war.

Judicial.

47. *Court-fees realized in stamps.*—The decrease in the revised and the budget estimates is based on the fall noticed in the receipts of 1941–1942.

X. Forest.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.	
Timber and other produce removed from the forests by Government agency.	21·74	20·76	22·70	22·70	10-11
Timber and other produce removed from the forests by consumers or purchasers.	21·63	16·30	18·70	18·19	
Drift and waifwood and confiscated forest produce.	·08	·07	·08	·07	
Revenue from forests not managed by Government.	2·23	2·07	2·07	2·05	
Miscellaneous	3·16	2·95	3·25	2·94	
Receipts in England	·02	..	..	..	
Total ..	**48·86**	**42·15**	**46·80**	**45·95**	
Deduct—Refunds	— ·38	— ·15	— ·13	— ·12	
Grand Total ..	**48·48**	**42·00**	**46·67**	**45·83**	

Revenue.

48. Forests are classified as below :—

Reserved forests and private forests taken on lease under the control of the Forest Department ;

Reserved forests managed by specially constituted forest panchayats and commonly known as ryots' forests, and reserved lands under the control of the Revenue Department.

Revenue credited to the several minor heads under the head X. Forest, is as follows.

49. *Timber and other produce removed from the forests by Government agency.*—Under this minor head is credited the revenue derived by extraction direct by the Forest Department of the produce of reserved forests when such departmental extraction is found desirable on a consideration of the value or quantity of the produce and other relevant factors or when there are no contractors and others offering to do the extraction. The main sources are sandalwood, teak and other valuable timber, firewood and charcoal, bamboos, and minor produce such as fodder, tamarind, soapnuts, tanning materials, lac, nux-vomica, spices, honey, elephant tusks, bones, horn, etc.

Reference to pages in the Detailed Budget Estimate of Revenue.

10–11

50. *Timber and other produce removed from the forests by consumers or purchasers.*—The right to extract produce from forests is sold to contractors or consumers when the Forest Department does not consider the produce to be of sufficient importance to require departmental extraction or when non-departmental extraction is considered to be more convenient both to the department and to the consumers, e.g., extraction of timber in limited quantities or areas, firewood and charcoal, bamboos and fodder, auction of grazing rights, quarrying, and collection of tanning materials, manure leaves, etc. Payments by contractors and consumers on this account are credited to this minor head. The revenue from trees and other minor forest produce on unreserved lands hitherto credited under this head is with effect from 1941–1942, credited to VII. Land Revenue.

51. *Drift and waifwood and confiscated forest produce.*—Sale-proceeds of drift and waif timber and of confiscated timber and produce of all kinds are credited to this head.

52. *Revenue from forests not managed by Government.*—Revenue derived by Government from forests transferred to the control of forest panchayats is credited to this minor head. The Government revenue is restricted to that derived from the sale of major fuel coupes and the rent levied from the panchayats. All other receipts from these forests, such as grazing fees, removal of leaves for manure and of dead trees, quarrying, etc., are appropriated direct by the panchayats and do not pass through this head. When, as a result of adverse seasonal conditions, a panchayat is not able to realize the grazing fees in full or when, as a result of fodder scarcity, a panchayat forest is thrown open to free or concessional grazing otherwise than on the initiative of the panchayats, or when the Government direct that grazing fees should be reduced, a portion of the rent payable by the panchayat is remitted.

Compounding fees collected in respect of offences committed in these forests are also credited to this minor head. A moiety of the fees collected in respect of offences which are reported by each panchayat is given to it as a grant and debited to 10. Forest—Conservancy and Works—Forest Panchayats.

53. *Miscellaneous.*—All revenue which does not fall under any other head is credited to this head. The chief sources are fees levied on time-expired permits, penalties for breaches of contract levied from contractors, rents of departmental buildings, forest rest-houses and land under temporary cultivation, fees on registration of property marks, sale-proceeds of surplus and unserviceable stores and elephants and other animals, compounding fees in respect of forest offences except those in panchayat forests reported by the panchayats, receipts on account of cattle straying in forest areas and consequently impounded, compensations for damage awarded by courts, fees for shooting licences, pilgrim fees collected in the Nallamalais, hire of the Forest Department's boats and animals, sale-proceeds of forest lands and buildings and of confiscated implements and other articles which are not forest produce, contributions from local bodies or private individuals and owners of private forests for the construction or maintenance of forest roads, contributions towards the leave salary of forest officers on foreign service, recoveries of advance payments and fees for fishing licences.

54. *Refunds.*—Refunds of forest revenue collected either erroneously or in excess are shown under this head.

Explanation of variations.

55. *Timber and other produce removed from the forests by Government agency.*—The increase in the revised estimate for 1941–1942 is due chiefly to (i) better price realized for sandalwood sold, and (ii) increased revenue under timber expected to be realized with reference to the progress of actuals. The budget estimate for 1942–1943 takes credit for the sale of a larger quantity of sandalwood than it was found possible to dispose of in the current year; but allows for a fall in revenue from the sale of timber.

56. *Timber and other produce removed from the forests by consumers or purchasers.*—The increase in the revised estimate for 1941–1942 is due to (i) the sale of a large number of timber coupes and the realization of better prices than originally anticipated, (ii) areas other than normal fuel areas being sold as an emergency measure for the supply of charcoal for motor lorries and buses at favourable rates and (iii) realization in the current year of the arrears relating to previous year's leases under 'other minor produce'.

The decrease in the budget estimate for 1942–1943 is due chiefly to there being no special item of revenue under 'other minor produce' as in the current year.

57. *Miscellaneous.*—The increase in the revised estimate for 1941–1942 is due chiefly to the recovery from the War Supply Department, of the pay and allowances of the staff employed during 1939–1940 and 1940–1941 in connection with the passing of timber for war purposes.

The decrease in the budget estimate for 1942–1943 is chiefly due to a smaller sum being expected to be recovered from the War Supply Department on account of the passing of timber for war purposes.

Reference to pages in the Detailed Budget Estimate of Revenue.

XI. Registration. 12

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
Fees for registering documents	27·12	27·60	28·80	28·50
Fees for copies of registered documents	1·00	1·07	1·05	1·05
Miscellaneous	9·07	9·31	8·92	8·92
Total ..	**37·19**	**37·98**	**38·77**	**38·47**
Deduct—Refunds	— ·05	— ·06	— ·05	— ·05
Grand Total ..	**37·14**	**37·92**	**38·72**	**38·42**

EXPLANATION OF VARIATIONS.

58. *Fees for registering documents.*—The increase in the revised estimate for 1941–1942 is due mainly to an increase in the number of registrations. The increase in registrations is not expected to continue at the same rate in 1942–1943.

59. *Miscellaneous.*—The decrease occurs chiefly under search fees and fees for return of documents.

XII. Receipts under Motor Vehicles Acts. 13

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
Receipts under the Indian Motor Vehicles Act.	4·72	5·03	4·53	4·28
Receipts under the Provincial Motor Vehicles Taxation Act	75·88	74·80	74·50	73·50
Fees and other receipts	·02	·02	·01	·01
Total ..	**80·62**	**79·85**	**79·04**	**77·79**
Deduct—Refunds	— ·75	— ·76	— ·91	— 1·06
Grand Total ..	**79·87**	**79·09**	**78·13**	**76·73**

Revenue.

60. Taxes and fees levied under the Madras Motor Vehicles Taxation Act, 1931, as amended by the Madras Traffic Control Act, 1938, the Motor Vehicles Act, 1939, and the rules issued thereunder are credited to this major head.

61. *Receipts under the Indian Motor Vehicles Act.*—Fees levied under the Motor Vehicles Act, 1939, and the rules issued under that Act, are credited to this minor head. The main items are—

Fees for registration and for transfer of ownership or possession of motor vehicles; for trade certificates issued to manufacturers, dealers and repairers; for licences to undergo instruction in motor driving; for licences and badges to drivers; for permits for transport vehicles; for certificates and badges issued to conductors in buses; fees for certificates of fitness of transport vehicles; and fees levied from applicants for posts of inspector of motor vehicles. Fees for furnishing extracts to trading firms from the register of motor vehicles are also credited to this head.

62. *Receipts under the Provincial Motor Vehicles Taxation Act.*—The Madras Motor Vehicles Taxation Act, 1931, substituted a provincial tax on motor vehicles for all tolls levied by the Government and by local bodies and the tax on motor vehicles levied by local bodies before the commencement of the Act, and provided for the distribution of the proceeds of the provincial tax. By the enactment of the Madras Traffic Control Act, 1938, the fees levied in addition to the permit fee under the Indian Motor Vehicles Act, 1914, on motor vehicles plying on Government roads and the fees on licences granted to motor vehicles by local bodies under the Madras Local Boards Act, 1920, and the Madras District Municipalities Act, 1920, were abolished. To make good this loss in revenue the provincial motor vehicle taxation was enhanced to the necessary extent. From the proceeds of the tax collected every year, the following payments are made (after allowing for refunds of tax):—

(1) to the Government are credited (*a*) the expenses of collecting the tax and of exercising their administrative functions in regard to the control of motor vehicles, and (*b*) a sum equivalent to the average annual income derived by

Reference to pages in the Detailed Budget Estimate of Revenue.

13 them from fees levied under the Indian Motor Vehicles Act, 1914, on motor vehicles plying on Government roads during the three years ending the 31st March 1938 and from tolls levied by them during the three years ending the 31st March 1931; and

(2) to each district board and municipal council is credited a sum equivalent to its average annual income from fees on licences granted to motor vehicles during the three years ending the 31st March 1938 and from tolls $\frac{\text{and}}{\text{or}}$ vehicles tax levied by it during the three years ending the 31st March 1931.

If, in any year, the proceeds of the tax, after deducting the amounts other than toll compensations referred to in items (1) and (2) above, fall short of the aggregate of the sums payable to local bodies and the Government on account of toll compensations, such proceeds are distributed proportionately to the amount determined as available by the Government. Beginning with the year 1941–1942 the Government have decided to give, if the finances of the province permit, an annual grant-in-aid to local bodies from provincial funds, not exceeding the amount by which the actual amount available for distribution falls short of the maximum contribution payable under the Act—Vide paragraph 566.

The expenditure incurred in administering the Acts and on the collection of the tax and the payments on account of the share of local bodies are debited to the corresponding expenditure head 12. Charges on account of Motor Vehicles Acts.

63. *Fees and other receipts.*—Fees for weighing private motor vehicles at the weighing machines installed by the Government and sundry receipts, e.g., recoveries of overpayments, etc., are credited to this minor head.

EXPLANATION OF VARIATIONS.

64. *Receipts under the Indian Motor Vehicles Act and the Provincial Motor Vehicles Taxation Act.*—Owing to war conditions and rationing of petrol, the number of motor vehicles paying tax has fallen and this accounts for the decrease in the estimates.

14–16

XIII. Other Taxes and Duties.

—	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
Taxes on luxuries including taxes on entertainments, amusements, betting and gambling—				
Entertainments tax	13·16	12·51	13·50	13·50
Betting tax—Totalizator	1·35	1·00	1·35	1·35
Betting tax—Book-makers	·05	·03	·05	·05
Deduct—Refunds	— ·03	— ·03	— ·04	— ·04
Total ..	**14·53**	**13·51**	**14·86**	**14·86**
Receipts from electricity duties—				
Fees under the Indian Electricity Rules, 1922, and fees for the electrical inspection of cinemas ..	·54	·49	·56	·56
Other receipts — Receipt from the Madras Electricity Duty Act, 1939 ..	6·74	6·10	6·00	6·10
Other receipts — Fees for the use of Government water for generation of electricity	..	·21	·41	·21
Deduct—Refunds	— ·03	— ·01	— ·01	— ·01
Total ..	**7·25**	**6·79**	**6·96**	**6·86**
Receipts from tobacco duties—				
Receipts under the Madras Tobacco (Taxation of Sales and Licensing) Act, 1939	21·66	22·83	19·00	19·00
Deduct—Refunds	— ·20	— ·13	— ·50	— ·50
Total ..	**21·46**	**22·70**	**18·50**	**18·50**
Other items—				
Receipts under the Madras Regulation of the Sale of Cloth Act, 1937	1·08	1·00	·90	·90
Receipts under the Madras Sales of Motor Spirit Taxation Act, 1939	16·19	16·00	13·25	9·70
Receipts under the Madras General Sales Tax ..	71·78	60·00	65·14	65·14
Deduct—Refunds	— 2·27	— 1·03	— 4·02	— 4·02
Total ..	**86·78**	**75·97**	**75·27**	**71·72**
Grand Total ..	**130·02**	**118·97**	**115·59**	**111·94**

Revenue.

Reference to pages in the Detailed Budget Estimate of Revenue.

14-16

65. *Entertainments Tax.*—The Madras Entertainments Tax Act, 1939, provides for the levy by the Provincial Government of a tax on amusements and other entertainments, for the repeal of the Local Authorities Entertainments Tax Act, 1926, and for the payment by way of compensation to local authorities, which were in receipt of an income from the tax levied under the old Act during any part of the three years preceding the 1st April 1939, of a sum equivalent to the average net annual income. The new Act requires every proprietor of an entertainment to levy the tax at the prescribed rate on all payments for admission to any entertainment in respect of which the tax is payable and to pay the amount to the Provincial Government. The payment may be made either by means of—

(1) entertainment tax stamps to be affixed to all tickets, or

(2) when so permitted, by payment according to returns to be furnished of the number of tickets issued or of the admissions effected by turnstiles.

The tax payable can be compounded for a fixed sum and payment may also be made at such percentage of the gross proceeds as may be fixed by the competent authority. The fines, penalties and compounding fees for offences levied under the Act are also credited to this head.

The commission payable to municipalities and the Madras Corporation for the administration of the Act, and cost of manufacture of Entertainment Tax stamps and freight are debited to the head 13. Other Taxes and Duties. The compensation payable to the local authorities is debited to 57. Miscellaneous—see paragraph 635.

66. *Betting Tax.*—The Madras Betting Tax Act, 1935, which is at present in force in respect of the race meetings at Guindy (in the Chingleput district) and Ootacamund (in the Nilgiri district), authorizes the levy of the following taxes :—

(1) On backers in respect of all moneys paid by them into any totalizator by way of stakes or bets ;

(2) On book-makers in respect of all moneys (exclusive of the amount of bets) paid or agreed to be paid by them to backers.

The maximum rate of tax in both cases is 4 per cent of every sum paid into the totalizator and of every sum paid out by book-makers. In respect of race meetings at Guindy the tax was levied at $1\frac{1}{4}$ per cent in 1935–1936 and 1936–1937, at $2\frac{1}{2}$ per cent in 1937–1938 and 1938–1939 and is levied at $3\frac{1}{8}$ per cent from 1939–1940 ; while in respect of race meetings at Ootacamund the tax is being levied at $1\frac{1}{4}$ per cent from 1939–1940.

67. *Receipts from Electricity Duties—Fees under the Indian Electricity Rules and fees for the electrical inspection of cinemas.*—Fees for meter test and arbitration and for technical advice to local bodies, licence and inspection fees leviable under the Indian Electricity Act and Rules, and fees under the Cinematograph Rules for electrical inspection of cinemas are credited under this head.

68. *Receipts from Electricity Duties—Other receipts.*—Under the Madras Electricity Duty Act, 1939, every electric supply licensee in this Province is required to pay every month a duty calculated at the rate of six pies per unit in respect of all sales of energy effected during the previous month at a price not less than two annas a unit. Sales of electricity to the Central Government and to licensees whose total sales do not exceed 16,666 units per month or 200,000 units per annum are exempted from payment of the duty. The royalty collected from the Mysore Government for the utilization of the Cauvery water at Sivasamudram for generation of electricity and the charges levied for water taken for power-houses in some estates in the Coimbatore and Nilgiri districts are also credited to this head.

69. *Receipts under the Madras Tobacco (Taxation of Sales and Licensing) Act, 1939.*—The Madras Tobacco (Taxation of Sales and Licensing) Act, 1939, provides for the levy of a tax on the sale of tobacco and the licensing of trade therein in the Province of Madras. Under the Act every person who sells or exposes for sale any manufactured tobacco in retail or sells tobacco in any form, wholesale or otherwise, carries on business as a wholesale dealer, manufacturer, broker or commission agent, is required to obtain an annual licence for each shop or place of business, but a grower may without licence or restriction sell as leaf any tobacco grown or cured by him for the purpose of marketing it as leaf. Retail dealers are not liable to payment of any fee for their licences. The fee for the grant or renewal of licences in respect of others varies according to the nature and turnover of the business.

Reference to pages in the Detailed Budget Estimates of Revenue.

14-16

Dealers in manufactured tobacco, whether retail or wholesale, are required to pay a tax in each year calculated on their turnover but persons who prepare manufactured tobacco of value not exceeding one thousand rupees in a year for the purpose of supplying to wholesale dealers are not liable to such tax. In the case of wholesale dealers the tax is two per cent on the turnover, while in the case of retail dealers it varies according to turnover, being six rupees per annum if the annual turnover does not exceed two hundred rupees, twelve rupees if the turnover exceeds two hundred rupees but does not exceed four hundred rupees and three per cent on the first four hundred rupees and ten per cent on the remainder of turnover if the turnover exceeds four hundred rupees. The licence fees and the tax under the Act including the fines, forfeitures and compounding fees for offences are credited to this minor head.

70. *Receipts under the Madras Regulation of the Sale of Cloth Act,* 1937.—Under the Madras Regulation of the Sale of Cloth Act, 1937, all dealers in cloth or in articles of wearing apparel made of cloth are required to obtain an annual licence for each shop or place of business, but a hawker is liable to obtain only one licence annually whatever his area of operations may be. The licences granted under the Act expire on the last day of the financial year for which they are granted but may be renewed from year to year. Licensees dealing exclusively in cloth woven on handlooms or articles of wearing apparel made therefrom are exempt from the payment of any fee for their licences. The fee for the grant or renewal of the licences in respect of others is two rupees where the monthly turnover of business does not exceed three thousand rupees, and five rupees where such monthly turnover exceeds three thousand rupees. These fees are credited to this minor head. The fee for a financial year is payable in advance in the preceding year.

71. *Receipts under the Madras Sales of Motor Spirit Taxation Act,* 1939.—The Act provides for the levy of a tax on retail sales of motor spirit in the Province of Madras. Every registered retail dealer is required to pay on all retail sales of motor spirit a tax, in the case of petrol at the rate of one anna and six pies per gallon, and in the case of any motor spirit other than petrol at the rate of six pies per gallon. The Government may fix from time to time by notification published with the previous approval of the Legislative Assembly any other rate at which the tax shall be payable. The tax levied under the Act, including fines, penalties and compounding fees is credited to this head.

72. *Receipts under the Madras General Sales Tax.*—The Madras General Sales Tax Act, 1939, authorizes the levy of a general tax on the sale of goods other than electrical energy, motor spirit, manufactured tobacco and any goods on which duty is or may be levied under the Madras Abkari Act, 1886, or the Opium Act, 1878. The tax is calculated on the turnover of business. Dealers whose turnover in any year is less than ten thousand rupees are not liable to pay the tax. Others have to pay the tax which is five rupees per month if the turnover does not exceed twenty thousand rupees, while, if the turnover exceeds twenty thousand rupees, the tax is levied at one-half of one per cent of such turnover. These rates have however been temporarily reduced to four rupees if the turnover does not exceed Rs. 20,000 and to one-quarter of one per cent if the turnover exceeds that limit. In the case of hides and skins, the tax is leviable only at such single point in the series of sales by successive dealers as may be prescribed, subject to restrictions and conditions as to licences and licence fees.

Sales by licensed dealers of certain articles such as bullion and specie are exempted from the payment of the tax. Licences for this purpose are granted on payment of an annual fee. In the case of certain finished articles of industrial manufacture a rebate of one-half of the tax levied on sales of such articles for delivery outside the Province is allowed.

The Act also provides for the grant of licences, on payment of licence fees, to persons who buy or sell on behalf of known principals and for the exemption from the payment of tax of such of their transactions as are carried out in accordance with the terms and conditions of the licence. The tax and licence fees levied under the Act including fines, penalties and compounding fees are credited to this minor head.

Explanation of Variations.

73. *Entertainments Tax.*—The estimates are based on the actual collections to the end of November 1941 which indicate an increase.

74. *Betting Tax—Totalizator.*—The estimates are based on the actual collections of 1940-1941.

Reference to pages in the Detailed Budget Estimates of Revenue.

75. *Receipts under the Madras Tobacco (Taxation of Sales and Licensing) Act,* 1939.—The decrease in the estimates is due to the want of shipping facilities and absence of demands for the export of goods to Rangoon and other places on account of the situation in the Far East.

76. *Refunds.*—The increase is due to the revision of assessments made in 1939–1940 and 1940–1941 necessitating refunds of tax previously collected. 14–16

77. *Receipts under the Madras Sales of Motor Spirit Taxation Act,* 1939.—The decrease in the revised estimate is due to the Petrol Rationing Order which was introduced with effect from the 16th August 1941 and the revision of the order with effect from the 1st January 1942. The large decrease in the budget estimate for 1942–1943 is due to the fact that the revised Petrol Rationing Order introduced from 1st January 1942 is expected to be in operation throughout next year.

78. *Receipts under the Madras General Sales Tax.*—The estimates are based on the progress of actuals to the end of November 1941.

79. *Refunds.*—The estimates are based on the progress of actuals during the current year.

Irrigation, Navigation, Embankment and Drainage Works—Gross Receipts.

80. Irrigation, navigation, embankment and drainage works are classified in the accounts either as works for which capital accounts are kept or as works for which no capital accounts are kept—see paragraph 286.

Revenue accruing on account of these works is classified as follows :—

(1) Indirect receipts representing the portion of land revenue due to irrigation works, which is collected by the Revenue Department, initially credited to VII. Land Revenue and subsequently transferred to the Irrigation Revenue heads—see paragraph 13.

(2) Direct receipts collected by the Irrigation Department.

These direct receipts represent sale-proceeds of water sold for irrigation purposes and collected otherwise than as part of the land revenue demand and of water sold for domestic consumption in towns and to railways, factories, mills, etc. ; receipts by the sale of the produce of regular plantations on canal banks and of wood, grass, etc., from other than regular plantations ; navigation receipts, such as from transit dues, transport profits and tolls and hire of ferry boats ; rents realized from canal berms and from buildings, furniture and other special amenities ; recoveries of expenditure from cultivators and others, e.g., for kudimaramat works executed by the Irrigation or Revenue Department ; and miscellaneous receipts, e.g., from sale of drift wood and of unserviceable or surplus stores and materials, confiscated deposits, etc.

XVII. Irrigation, Navigation, Embankment and Drainage Works for which Capital Accounts are kept—Gross Receipts.

17–22

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
Irrigation works—				
Productive	5·18	4·61	4·70	4·62
Unproductive	·60	·67	·61	·59
Portion of land revenue due to irrigation (Productive and Unproductive)	144·38	142·40	139 72	139 91
Navigation, embankment and drainage works—				
Unproductive	1·09	1·08	1·08	1·08
Total ..	**151·25**	**148·76**	**146·11**	**146·20**

Revenue.

81. *Irrigation works—Productive.*—The major portion of the receipts accrues from the Godavari, Kistna and Cauvery delta systems, the Cauvery-Mettur Project areas and the Periyar system.

Reference to pages in the Detailed Budget Estimates of Revenue. 17-22

82. *Unproductive.*—The Madras Water-supply and Irrigation system, the Kurnool-Cuddapah canal and the Kanniyampalayam anicut in Coimbatore contribute to the major portion of the receipts under this head.

83. *Navigation, embankment and drainage works.*—Nearly the whole of the revenue accrues from the Buckingham canal, that from the Vedaranniyam canal being negligible.

EXPLANATION OF VARIATIONS.

84. *Portion of land revenue due to irrigation.*—The variations have been explained in paragraph 19.

23 25

XVIII. Irrigation, Navigation, Embankment and Drainage Works for which no Capital Accounts are kept.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
Irrigation works—				
Public Works department	·61	·55	·56	·55
Minor Irrigation	·57	·52	·52	·50
Portion of land revenue due to Irrigation ..	90·74	81·61	89·33	89·50
Navigation, embankment and drainage works ..	·82	·76	·79	·80
Total ..	**92·74**	**83·44**	**91·20**	**91·35**

Revenue.

85. *Irrigation works—Public Works Department.*—The main items of receipts are on account of water taken by the Madura Mills Company and other mills and railways and from sale of canal produce.

86. *Minor irrigation.*—These works are under the control of the Revenue Department and the main items of receipt are recoveries on account of kudimaramat work and from sale of water to railways, mills, etc.

87. *Navigation, embankment and drainage works.*—The receipts accrue mainly from the river conservancy divisions and the West Coast and Dummagudem canals.

EXPLANATION OF VARIATIONS.

88. *Portion of land revenue due to irrigation.*—The variations have been explained in paragraph 19.

XX. Interest.

28

	Accounts, 1940–1941	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
Interest on loans and advances by Provincial Government.	23·15	23·09	22·53	23·62
Interest on arrears of revenue	·27	·26	1·26	·49
Interest realized on investments of cash balances.	1·00	1·00	1·30	1·00
Miscellaneous	·02	·01	·01	·01
Receipts in England	..	·01	..	..
Total ..	**24·44**	**24·37**	**25·10**	**25·12**
Deduct—Refunds	— ·04	— ·04	— ·02	— ·03
Grand Total ..	**24·40**	**24·33**	**25·08**	**25·09**

Revenue.

89. *Interest on loans and advances by Provincial Government.*—Interest on the outstanding principal of loans advanced by the Government to local bodies, cultivators, co-operative societies and land mortgage banks and others for various purposes and to Government servants for the purchase of conveyances, typewriters and passages is credited to this minor head. The mode of liquidation generally adopted in the case of

loans other than those to Government servants is the equated payment system, according to which the number of years in which the loan should be repaid is first settled and the annual or half-yearly instalment towards the payment of interest and principal is then fixed. That portion of the periodic instalment which represents the interest on the outstanding principal at the time of each payment is credited to this head and the balance is taken as a receipt under the Debt head, Loans and Advances by the Provincial Government. Interest at penal rates is ordinarily levied on all overdue instalments. Reference to pages in the Detailed Budget Estimates of Revenue. 28

Normally, the receipts under the head Interest on account of these loans should decline in proportion to the amount of principal after each periodic instalment but this is usually more than made up by interest accruing from new loans advanced from year to year, though the fall in interest rates has tended to retard this growth.

As regards advances to Government servants, the period of repayment of the principal is fixed as also the amount of the instalments. All repayments until the amount advanced is liquidated are credited in reduction of the principal, and interest, calculated at simple interest rates on the amount of principal outstanding after each instalment, is collected thereafter in one or more instalments.

90. *Interest on arrears of revenue.*—Interest levied on overdue payments of Government demands, such as land revenue, excise, forest and other heads, is credited to this minor head.

91. *Interest realized on investments of cash balances.*—Up to the year 1936–1937 it was open to Provincial Governments to invest their surplus balances with the Government of India. From 1937–1938, such investment may be only in treasury bills or other securities. Interest derived from such investments of surplus balances other than those relating to specially constituted funds, such as the Famine Relief Fund, Loan Sinking Fund, Electricity Reserve Funds, etc., in Government securities (other than Madras Government securities) is credited to this head.

92. *Miscellaneous.*—Interest allowed by courts on amounts decreed in favour of the Government and interest levied on purchase money of waste lands collected in instalments and of jail and other manufactures not paid for within the time allowed and interest on other accounts are credited to this minor head.

EXPLANATION OF VARIATIONS.

93. *Interest on loans and advances by Provincial Government.*—The decrease in the revised estimate for 1941–1942 is due mainly to a reduction from Rs. 50 lakhs to Rs. 33 lakhs in the amount of short term loans taken by the Central Land Mortgage Bank and to the advance repayment of loans taken by the Bank. The budget estimate for 1942–1943 takes credit for interest on a loan of Rs. 50 lakhs proposed to be disbursed to the Central Land Mortgage Bank next year. An increase in receipts is also anticipated under interest on advances to cultivators as a larger amount is likely to be advanced as loans under the Agriculturists' Loans Act and the Land Improvement Loans Act during 1941–1942.

94. *Interest on arrears of revenue.*—The increase in the revised estimate for 1941–1942 is mainly due to larger receipts expected to be realized from certain estates. The budget estimate for 1942–1943 does not take credit for such large recoveries.

95. *Interest realized on investments of cash balances.*—The increase in the revised estimate for 1941–1942 is due to a larger amount invested in Central Government treasury bills, than provided for in the budget. The budget estimate for 1942–1943 is based on the amount expected to be invested in Central Government treasury bills next year.

XXI. Administration of Justice.

28–29

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
Sale-proceeds of unclaimed and escheated property.	·09	·08	·13	·09
Court-fees realized in cash	2·43	2·00	2·43	2·43
General fees, fines and forfeitures	15·63	13·52	16·85	15·92
Miscellaneous fees and fines	·64	·94	·70	·70
Recoveries of overpayments	·14	·06	·09	·09
Collection of payments for services rendered ..	·21	·20	·23	·21
Miscellaneous (including receipts in England) ..	2·08	1·65	2·20	2·20
Total ..	**21·22**	**18·45**	**22·63**	**21·64**
Deduct—Refunds	— ·89	— ·70	— ·82	— ·82
Grand Total ..	**20·33**	**17·75**	**21·81**	**20·82**

Reference to pages in the Detailed Budget Estimates of Revenue.

Revenue.

28–29 96. *Sale-proceeds of unclaimed and escheated property.*—The sale-proceeds of the unclaimed personal property of persons who die intestate and without heirs and of real property escheated to the Government under the Madras Endowments and Escheats Regulation, 1817, and section 174 of the Government of India Act, 1935, are credited to this head.

97. *Court-fees realized in cash.*—The receipts under this head are mainly process servers' and amins' fees, court-fees realized by village courts, recoveries on account of pauper suits, and fees collected by civil officers for attesting powers-of-attorney.

98. *General fees, fines and forfeitures.*—Under this head are credited—

(*a*) fees collected for the translation and printing work connected with suits and cases in the High Court and Privy Council appeals ;

(*b*) fines imposed and realized by magisterial and judicial officers, including those which under specific enactments or at the discretion of the Government are paid over to local bodies, branches of the Society for the Prevention of Cruelty to Animals and others ;

(*c*) forfeitures of bail bonds ; and

(*d*) sale-proceeds of confiscated properties and other articles which remain unclaimed in courts.

The amounts due to local bodies in respect of fines are debited to 27. Administration of Justice—Presidency Magistrates' Courts and Criminal Courts, as and when they are paid over to them.

99. *Miscellaneous fees and fines.*—The fees and commission of the Administrator-General and Official Trustee and the Official Receiver of the High Court, deposits towards the travelling and other expenses of Government servants who are summoned to give evidence in their official capacity in cases to which the Government are a party, charges recovered from the Central Government in connection with the administration of the Administrator General and Official Trustees Acts, fees received by Government officers for performing duties as notaries public, petroleum and cinema licence fees, fees for enrolment as pleaders and advocates and for applications for posts in the Judicial Department the recruitment for which has been excluded from the purview of the Public Service Commission and cash receipts of record-rooms in offices of which the cost is debited to the head 27. Administration of Justice, are credited to this minor head.

100. *Recoveries of overpayments.*—Recoveries of pay and allowances overpaid in previous years are credited to this minor head.

101. *Collection of payments for services rendered.*—The rent collected by the High Court for the use of fans, etc., in the chambers occupied by advocates and others in the High Court buildings and leave contributions in respect of officers of the Judicial Department on foreign service and district judges doing judicial duties in the Sandur State and in the Residents' courts at Secunderabad and Bangalore are credited to this minor head.

102. *Miscellaneous.*—Sale-proceeds of old stores and materials, commission realized from estates administered by official receivers, lapsed deposits of official receivers and cash receipts under the Indian Arms Act, 1878, realized by District Magistrates are the chief items that are credited to this minor head.

103. *Refunds.*—Refunds of fines ordered on appeals or by other competent authorities and of translation and printing and other fees collected in excess are the chief items.

Explanation of variations.

104. *Court-fees realized in cash.*—The estimates are based on the progress of actuals in the current year.

105. *General fees, fines and forfeitures.*—The actual realizations in the current year exceed budget anticipations and are abnormal. The budget estimate for 1942–1943 takes credit for normal receipts.

106. *Miscellaneous fees and fines.*—The course of receipts in the current year has been low.

Reference to pages in the Detailed Budget Estimates of Revenue. 28–29

107. *Miscellaneous.*—Larger receipts than anticipated from commission realized from estates administered by official receivers account mainly for the increase in the estimates.

XXII. Jails and Convict Settlements.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.	
Jails	·52	·49	·62	·55	30
Jail manufactures	6·60	5·73	7·05	7·06	
Recoveries of overpayments	·05	·03	·03	·03	
Collection of payments for services rendered ..	·06	·06	·06	·06	
Total ..	**7·23**	**6·31**	**7·76**	**7·70**	

Revenue.

108. *Jails.*—Recoveries on account of convicts hired to Government departments (the branch press and the quinine packing section in the Penitentiary, the Public Works Department, etc.), railway companies and others, and of the transportation and maintenance charges of prisoners of other Provinces and Indian States confined in the jails of this Province ; recoveries of maintenance charges of juvenile offenders of the Civil and Military Station, Bangalore, in certified schools and of adolescent offenders of the same station and those from the British Administered areas in the Hyderabad State in the Borstal schools ; rents of buildings and miscellaneous receipts, such as the sale-proceeds of the surplus garden and dairy produce of jails and livestock and of old stores and materials are credited to this minor head.

109. *Jail manufactures.*—Receipts from the Cinchona Department on account of the packing and distribution of quinine in the Penitentiary and sale-proceeds of articles produced in the manufacturing departments of jails, which are purchased mostly by the Forest, Police, Stationery, Posts and Telegraphs and Defence Departments, are credited to this head. But the value of articles manufactured in one jail and supplied to another within the Province is adjusted in reduction of the expenditure in the manufacturing jail.

The receipts from these manufactures are counterbalanced by expenditure involved in their production which is debited to the expenditure head 28. Jails and Convict Settlements—Jail manufactures, except to the extent representing the percentage charged as profits of the Jail Department.

110. *Collection of payments for services rendered.*—The pay and allowances of the staff employed in the district jail at Secunderabad and paid in the first instance from Provincial revenues and debited to 28. Jails and Convict Settlements—District and Special Jails, are subsequently recovered from the Secunderabad Local Fund. Such recoveries are credited to this head, recoveries representing pensionary contributions being credited to the head XLIV. Receipts in aid of superannuation. The receipts under this head also include the contribution from the Cinchona department, towards the leave salary of the staff of the quinine manufacture section and the contribution towards the leave salary of officers deputed to other Provinces.

Explanation of variations.

111. *Jail manufactures.*—The increase in the estimates is due to larger sales of jail manufactured articles, as the Jail Department now keeps articles in stock ready for sale.

XXIII. Police.

Reference to pages in the Detailed Budget Estimates of Revenue.

31–32

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
Contribution for railway police	3·51	3·79	3·72	3·72
Receipts and recoveries on account of Presidency police	1·37	1·35	1·36	1·32
Fees, fines and forfeitures	·34	·33	·40	·40
Recoveries of overpayments	·80	·13	·14	·14
Collection of payments for services rendered ..	·52	·46	·37	·37
Police supplied to railways	·01	·03	·07	·03
Police supplied to Municipal, Cantonment and Town Funds	·03	·03	·03	·03
Police supplied to Public Departments, private companies and persons	·32	·32	·32	·32
Cash receipts under the Arms Act	·08	·08	08	·08
Miscellaneous	·31	·28	·31	·31
Total ..	**7·29**	**6·80**	**6·80**	**6·72**
Deduct—Refunds	— ·50	— ·01	— ·03	— ·01
Grand Total ..	**6·79**	**6·79**	**6·77**	**6·71**

Revenue.

112. The receipts realized by the Police in Madras City and in the districts are booked separately in the accounts, as the Police Force in Madras City is constituted under the Madras City Police Act, 1888, and the Police Force in the districts under the Madras District Police Act, 1859.

113. *Contribution for railway police.*—The contribution payable by the Railway Board under section 187 (3) of the Government of India Act, 1935, and that payable by Indian States towards the cost of 'order' police employed by the Madras Government on company managed railways and on railway lines within the limits of Indian States and the contribution sanctioned by the Crown Representative towards the cost of crime police employed on railway lines passing through Indian States are credited to this head. The amount of the contribution on account of the former is based on the actual expenditure incurred by this Government on the police employed on 'order' duties within the jurisdiction of the two railway police districts in this province, namely, Madras and Trichinopoly. The pensionary contribution collected on this account is credited to the head XLIV. Receipts in aid of superannuation.

114. *Receipts and recoveries on account of Presidency police.*—These comprise hackney carriage fees, licence fees for places of public resort, entertainments, processions and the like, receipts on account of cattle-pounds (which in Madras City are under the control of the police), fees for the censorship of cinema films, recoveries from the Madras Port Trust of two-thirds of the cost of the harbour police and half the cost of the quarantine police, sale-proceeds of unclaimed animals, confiscated arms and old stores and materials, receipts from hire to the public of the police motor ambulance, and recoveries on account of police supplied to private bodies and persons in connexion with festivals, etc., and of special police officers or additional police employed under sections 20 and 21 of the Madras City Police Act, 1888.

115. *Fees, fines and forfeitures.*—Receipts realized by the district police are credited to this minor head. The main items are hackney carriage fees and fees collected by the Finger Print Bureau.

116. *Recoveries of overpayments.*—Recoveries of overpayments of pay and allowances, and refunds of the cost of ticket requisitions and passages drawn in excess in previous years are the main items credited to this minor head.

117. *Collection of payments for services rendered.*—Contributions from the Central Government for work done by the Commissioner of Police in connexion with the Hedjaz pilgrimage, the Indian Naturalization Act, 1926, and the British Nationality and Status of Aliens Act, 1914, and recoveries for leave, clothing and other charges for the police employed on Agency functions, contributions from other Governments, Administrations

Reference to pages in the Detailed Budget Estimates of Revenue. 31-32

and private bodies in respect of finger-print work done by the Madras Police, recoveries on account of leave and passage contributions of officers of the Police Department on foreign service, and those on account of special and additional police under sections 13 to 15 of the Indian Police Act, 1861, and contributions for the training in the Police Training School at Vellore of officers deputed by Indian States and other Governments, are the main items credited to this minor head.

118. *Police supplied to railways.*—The recoveries on account of Police guards supplied to railways in the districts are credited to this minor head.

119. *Police supplied to Municipal, Cantonment and Town Funds.*—The recoveries in respect of mufassal police guards supplied to municipalities, cantonment and town funds are credited to this minor head.

120. *Police supplied to Public Departments, private companies and persons.*—The recoveries pertaining to the cost of police guards supplied to Port Trusts, Public departments, private companies and persons are credited to this minor head.

121. *Cash receipts under the Arms Act.*—As a result of the entrustment to the Provincial Government of the agency functions under the Indian Arms Act and Rules, the fees realized under the above Act and Rules are credited to this Government under this head for the services rendered by this Government and their officers.

122. *Miscellaneous.*—Under this head are credited—

(*a*) rents realized from police officers for whom residential quarters have been rented by the department;

(*b*) fees paid by applicants for selection as sergeants and sub-inspectors in the regular police and as subadars, jamadars, etc., in the Malabar Special Police;

(*c*) credit allowed by the Defence Department on account of unserviceable articles returned; and

(*d*) sale-proceeds of old stores and materials.

EXPLANATION OF VARIATIONS.

The variations under the several minor heads are small and do not call for any remarks.

XXIV. Ports and Pilotage.

	Accounts, 1940-1941.	Budget Estimate, 1941-1942.	Revised Estimate, 1941-1942.	Budget Estimate, 1942-1943.
B. Other Ports—Miscellaneous—				
Transfers from the Madras Minor Ports Fund under the Madras Minor Ports Fund Act, 1938	..	..	..	..

Revenue.

123. *Other Ports—Miscellaneous.*—Section 3 of the Madras Minor Ports Fund Act, 1938, directs that the balance standing on the 31st March 1939 to the credit of the Minor Ports Fund in excess of Rs. 20 lakhs shall be credited to and shall be disposed of along with the rest of the revenues of the Province.

Section 4 of the Act further directs that such portion of the balance standing to the credit of the Minor Ports Fund on the 31st March 1940 or in any subsequent year as the Provincial Government may, with the approval, by resolution, of the Madras Legislative Assembly, determine, shall be dealt with similarly. The amounts to be credited to the revenues of the Province are booked under this head.

EXPLANATION OF VARIATIONS.

124. The Marine Department has drawn up an extensive programme of works to be executed in the years 1941-1942 and 1942-1943. The balance at the credit of the Minor Ports Fund on 31st March 1942 is estimated at Rs. 14·46 lakhs and the balance in the subsequent year will be further reduced. It is not expected that there will be any surplus balance to be transferred to the Revenue Account. The revised estimate for 1941-1942 and the budget estimate for 1942-1943 are therefore nil.

Reference to pages in the Detailed Budget Estimate of Revenue. 33–34

XXVI. Education.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
University	6·37	6·44	6·77	6·74
Secondary	·49	·44	·51	·54
Special	·54	·57	·57	·60
General	2·67	1·09	1·76	1·67
Total ..	**10·07**	**8·54**	**9·61**	**9·55**
Deduct—Refunds	— ·07	— ·06	— ·10	— ·08
Grand Total ..	**10·00**	**8·48**	**9·51**	**9·47**

Revenue.

125. *University.*—Fees for tuition, registration and admission and fee fines in Government Arts and Training colleges (including those which have secondary departments and model schools respectively attached to them) and in the Law and Engineering colleges are credited to this section.

126. *Secondary.*—Fees for tuition and admission and fee fines in Government secondary schools are credited to this section.

127. *Special.*—This section exhibits fees for tuition and admission and fee fines in model schools attached to Government training schools.

128. *General.*—The receipts credited to this section are—

(1) Contributions from Indian States and others on account of students deputed by them to the educational institutions in this Province, e.g., Engineering and Training colleges and schools;

(2) income from endowments attached to Government educational institutions towards their upkeep;

(3) registration fee paid by publishers of books and fees for scrutiny of books by the Text-Book Committee;

(4) recoveries of overpayments made in previous years, mainly in respect of grants to local bodies, and aided institutions, of pay and allowances of Government servants, scholarships overdrawn in previous years and stipends recovered from students for failure to fulfil the terms of their bonds;

(5) contribution levied on account of the leave salary of officers on foreign service when it is levied separately and is not combined with the pensionary contribution; and

(6) miscellaneous receipts, such as laboratory, reading room, examination and medical inspection fees, rents (other than from buildings borne on the registers of the Public Works Department and maintained by that department) and other recoveries from residents of hostels attached to Government institutions, and sale-proceeds of manual training articles, garden products, unserviceable stores and materials, furniture and laboratory and other articles.

Explanation of variations.

129. *University.*—The revised estimate takes credit for larger fee receipts from Government Arts and Professional Colleges owing to the rise in strength. The budget estimate for 1942–1943 has been fixed on the expectation that this strength will be maintained.

130. *General.*—The increase is mainly due to large receipts anticipated on account of " Scrutiny fees " under Text-Book Committee and to credit taken for recovery of excess grants and subsidies.

XXVII. Medical.

Reference to pages in the Detailed Budget Estimates of Revenue. 35

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
Medical college and school fees	2·72	2·60	2·79	2·82
Hospital receipts	2·51	2·56	2·60	2·60
Mental hospital receipts	·80	·65	·73	·73
Sale of medicines	·02	·01	·02	·02
Contributions	·48	1·16	·55	·56
Income from endowments	·44	·44	·45	·45
Recoveries of overpayments	·20	·20	·20	·20
Collection of payments for services rendered ..	2·57	2·35	2·58	2·58
Miscellaneous (including receipts in England).	·79	·81	·84	·84
Total ..	**10·53**	**10·78**	**10·76**	**10·80**
Deduct—Refunds	— ·26	— ·23	— ·21	— ·23
Grand Total ..	**10·27**	**10·55**	**10·55**	**10·57**

Revenue.

131. *Medical college and school fees.*—Fees for registration, admission and tuition and fee fines in the Madras and Vizagapatam Medical Colleges, the Stanley Medical College and the School of Indian Medicine and fees levied from candidates for the diploma courses in gynæcology and obstetrics and in ophthalmology are credited to this minor head.

132. *Hospital receipts.*—Under this minor head are credited fees levied for medical advice, X-ray examinations, nursing and dieting of paying patients treated in Government hospitals in Madras City and the mufassal and contributions recovered from the Defence Department for the treatment of British Military personnel and families in the Government General, and Women and Children Hospitals, Madras. The major portion of these receipts is realized from the City hospitals and the hospitals in the Nilgiris, Coimbatore, Vizagapatam, Madura, Tanjore and Malabar.

133. *Mental hospital receipts.*—The receipts represent recoveries on account of paying patients in the mental hospitals at Madras, Calicut and Waltair.

134. *Sale of medicines.*—The receipts under this head represent fees charged for dispensing at Government hospitals prescriptions of private medical practitioners for their patients in places where there are no chemists and druggists shops.

135. *Contributions.*—Contributions paid by the Madras Corporation towards the maintenance of the City hospitals, by the Tanjore District Board (Chatram funds) towards the maintenance of the district headquarters hospital at Tanjore, by the Cochin, Travancore and Hyderabad States for the training of their students in the medical colleges and other contributions received from local bodies, private benefactors and others for medical purposes, are credited to this head.

136. *Income from endowments.*—The interest accruing from investments of hospital endowments made by private donors or by public subscription is credited to this head.

137. *Recoveries of overpayments.*—Overpayments of pay and allowances and of subsidies to local bodies for medical purposes recovered in a subsequent year are credited to this head.

138. *Collection of payments for services rendered.*—Under this head are credited contributions paid by the Defence Department in respect of British officers of the Indian Medical Service belonging to the War Reserve employed under the Madras Government, recoveries on account of analytical work done by the Chemical Examiner on behalf of departments of the Central Government, recoveries on account of midwifery training in the Women and Children's Hospital, Madras, of pupils sent by other Governments and of the training of medical pupils for the Defence Department; and recoveries from local bodies on account of Government medical officers lent to them.

Reference to pages in the Detailed Budget Estimates of Revenue. 35

139. *Miscellaneous.*—Fees for pathological and analytical examinations and for examinations by medical boards, fees for post-graduate courses conducted in hospitals, fees paid by candidates for services for which recruitment is made by the Surgeon-General, recoveries of cost of anti-rabic vaccine (including cost of telegrams) used in the treatment of well-to-do patients, sale-proceeds of condemned stores, furniture and materials and of garden and other produce in hospitals, rents collected from students occupying hostel buildings not maintained by the Public Works Department and for buildings in the Lady Willingdon Leprosy Sanatorium, Chingleput, grants made by the Imperial Council of Agricultural Research for a scheme of research into the indigenous drugs of India and security deposits forfeited by hospital contractors are the main items credited to this minor head.

140. *Refunds.*—These are hospital stoppages collected in advance and subsequently refunded on making up the final bill, and refunds of wrong credits of medical board examination fees, contributions paid in excess by local bodies, etc.

EXPLANATION OF VARIATIONS.

141. *Contributions.*—Non-realization of the contribution including arrears payable by the Tanjore District Board (Chatram funds) for the maintenance of the district head-quarters hospital accounts mainly for the decrease in the estimates.

142. *Collection of payments for services rendered.*—The estimates are based on the average of the actuals for the last three years.

XXVIII. Public Health.

36–37

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
Sale-proceeds of sera and vaccines	·44	·43	·47	·47
Contributions	·23	·26	·26	·33
Recoveries of overpayments	·13	·16	·09	·06
Collection of payments for services rendered ..	1·46	1·44	1·41	1·45
Miscellaneous—				
Direct receipts	·07	·13	·10	·07
Transfers from deposit accounts—				
Poonamallee Health Unit	·17	..	·16	·01
Anti-malaria operations	·20	·36	·26	·37
Total ..	2·70	2·78	2·75	2·76
Deduct—Refunds	— ·09	— ·02	— ·04	— ·02
Grand Total ..	2·61	2·76	2·71	2·74

Revenue.

143. *Sale-proceeds of sera and vaccines.*—Sera and vaccines supplied by the King Institute to local fund and municipal hospitals, private bodies and others are charged for except in the following cases where the supply is free of charge :—

(1) Sera and vaccines including vaccine lymph required by Government medical institutions ;

(2) Cholera vaccine and vaccine lymph required by the Public Health Department and local bodies ; and

(3) Sera and bacterial vaccines required by the Victoria Hospital for Women and Children at Vizagapatam.

144. *Contributions.*—Contributions from local bodies for cyanogas fumigation experiments in plague-infected areas, and donations for public health purposes are the main items.

145. *Recoveries of overpayments.*—Recoveries of pay and allowances overdrawn in previous years, and of Provincial grants drawn by local bodies for water-supply and drainage schemes, originally debited to 39. Public Health—Grants for Public Health purposes, which are found to be in excess on completion of the works are the main items.

146. *Collection of payments for services rendered.*—The pay and leave salary of municipal health officers are met from provincial funds in the first instance and debited to 39. Public Health—Public Health Establishments, and 25 per cent of the pay and leave salary is subsequently recovered from the local bodies concerned. The Public Health Department

Reference to pages in the Detailed Budget Estimates of Revenue.

also levies fees for the grant of sanitary certificates to schools under private management and for training candidates for posts of birth and death registrars in municipalities. Fees for private bacteriological examinations, payments towards the cost of the Government Analyst and his staff by local bodies to whose areas the Madras Prevention of Adulteration Act, 1918, has been extended, fees levied from local bodies for the inspection of their water-works and drainage pumping stations, contributions on account of the staff employed for investigation and preparation of detailed plans and estimates for water-supply and drainage schemes of local authorities and for the scrutiny and sanction of other works by the Sanitary Engineering Department and centages for the department's tools and plant used for investigation of works undertaken by local authorities are also credited to this head. 36–37

147. *Miscellaneous.*—The receipts under this head fall under two main categories, namely :—

(1) receipts directly accruing from the operations of the Public Health and Sanitary Engineering Departments ; and

(2) amounts transferred from the deposit accounts of—

(*a*) the grant made by the Central Government in respect of the Poonamallee Health Unit, and

(*b*) the grant made by the Indian Research Fund Association for anti-malaria operations.

Receipts directly realized include hire charges and sale-proceeds of health propaganda apparatus and materials, receipts from the disposal of old stores and materials in the Public Health Department and cost of copies of plans relating to water-supply and drainage schemes supplied by the Sanitary Engineering Department to local bodies for the use of tenderers and recovery of the cost of postage and packing charges on sera and vaccines supplied by the King Institute.

The expenditure on the Poonamallee Health Unit scheme during the current year is to be met entirely from the Central Government's grant for economic development and improvement of rural areas and an amount equal to the expenditure on the scheme will be transferred to this head as a receipt from the deposit account. The budget estimate for 1942–1943 provides for the continuance of a modified scheme, the cost being met from Provincial funds.

The Indian Research Fund Association has agreed to give a contribution of Rs. 2 lakhs spread over a period of five years for anti-malaria operations in this Presidency approved by the Association subject to the condition that an equal amount is contributed from Provincial funds. The Association's contribution is credited to the deposit account on receipt. The expenditure on the operations including the Madras Government's share is debited to 39. Public Health—Expenses in connexion with epidemic diseases—Anti-malaria operations partly financed from contributions from the Indian Research Fund Association, and an amount equal to half the expenditure representing the Association's share is transferred from the deposit account to the present head.

Explanation of variations.

148. The variations under the several minor heads are small and do not call for any remarks.

XXIX. Agriculture.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate. 1941–1942.	Budget Estimate, 1942–1943.	
Agricultural receipts—					38
Direct receipts	2·31	2·23	2·43	2·49	
Transfers from deposit accounts ..	1·31	·96	1·05	·88	
Recoveries of overpayments ..	·02	·04	·06	·03	
Collection of payments for services rendered	·09	·07	·07	·07	
Contribution from the Central Government for the relief of groundnut cultivators	..	..	·10	2·88	
Receipts in England	..	..	..	..	
Total ..	**3·73**	**3·30**	**3·71**	**6·35**	
Deduct—Refunds	..	·01	·01	..	
Grand total ..	**3·73**	**3·29**	**3·70**	**6·35**	

Reference to pages in the Detailed Budget Estimates of Revenue.

Revenue.

149. Receipts pertaining to the operations of the department of Agriculture are credited to this major head.

38 150. *Agricultural receipts.*—These fall into two main categories, namely :—

(1) Receipts directly accruing from the operations of the department ;

(2) Amounts transferred to this head from the deposit accounts of grants made by the Imperial Council of Agricultural Research and the Indian Central Cotton Committee for specific purposes.

Direct receipts consist of the sale-proceeds of dairy and farm produce at district stations and at the central farm at Coimbatore, cotton, green manure and other seeds produced or stocked by the department, agricultural implements and manures, receipts from botanical and other public gardens and the Research Institute, fees and other receipts from the Agricultural College and rents from buildings under the control of the department.

The amounts transferred from the deposit accounts represent that part of the expenditure booked under the expenditure head 40. Agriculture which is financed from grants made by the Imperial Council of Agricultural Research and the Indian Central Cotton Committee.

151. *Recoveries of overpayments.*—Cash recoveries from seed farm ryots of the value of seeds supplied to them for sowing if the seeds supplied by them from their seed farms are found unsatisfactory and recoveries of pay and allowances overdrawn in previous years are credited to this head.

152. *Collection of payments for services rendered.*—The receipts under this head represent contributions for leave salary on account of officers in foreign service and those employed by Government on behalf of others under Fundamental Rule 127.

153. *Contribution from the Central Government for the relief of groundnut cultivators.*—The Government of India have created a fund called the "Fund for the relief of groundnut cultivators". The rebate collected from shippers based on the difference between the buying price of His Majesty's Government and the current market price in India for groundnut is credited to the Fund. Grants are made from the Fund by the Government of India for approved schemes which will directly or indirectly benefit the groundnut cultivators. One essential condition for the grant is that an equivalent amount should be set apart from Provincial revenues. This minor head accommodates the grant from the Central Government.

EXPLANATION OF VARIATIONS.

154. *Direct receipts.*—The increase in the revised estimate for 1941–1942 and the budget estimate for 1942–1943 is due mainly to larger receipts anticipated from the sale of plants and from sale of green manure seeds and of paddy, the cost of which has increased. The increase is also due to the increase in the area of the seed farms.

155. *Contribution from the Central Government for the relief of groundnut cultivators.*—The estimates take credit for a half grant from the Central Government to meet the expenditure on three approved schemes.

XXX. Veterinary.

39

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
Veterinary College fees	·32	·33	·33	·39
Other receipts—				
Direct receipts	·70	·59	·63	·68
Transfers from deposit accounts ..	·15	·15	·19	·19
Collection of payments for services rendered.	·01	·01	·01	·01
Total ..	**1·18**	**1·08**	**1·16**	**1·27**
Deduct—Refunds ..	·01	·01	·03	·01
Grand total ..	**1·17**	**1·07**	**1·13**	**1·26**

Revenue.

Reference to pages in the Detailed Budget Estimates of Revenue.

156. *Veterinary College fees.*—Tuition, examination and medical inspection fees collected from students in the Madras Veterinary College, fees realized from the shoeing forge and for animals treated in the hospital attached to the College and rent realized from the veterinary assistant surgeon in charge of the veterinary dispensary at Rayapuram for the occupation of quarters rented to him and sale-proceeds of old stores and materials of the Madras Veterinary College and the veterinary dispensary at Rayapuram are the main items of receipts credited to this minor head. 39

157. *Other receipts.*—These fall into two main categories, namely :—

(1) Receipts directly realized by the Civil Veterinary Department ; and

(2) Transfers from the deposit account of grants by the Imperial Council of Agricultural Research for specific schemes entrusted to the department and of contributions for cattle improvement.

Receipts directly realized include fees for treatment of animals in, and contributions from local bodies and others for the maintenance of veterinary hospitals and dispensaries in the mufassal ; sale-proceeds of serum produced by and of used animals in the Serum Institute ; rents realized from veterinary assistant surgeons occupying quarters rented for them by the department ; fees levied for inspection by veterinary assistant surgeons at Tuticorin, Negapatam, Cuddalore, Cocanada and Vizagapatam of animals and other materials intended for export ; sale-proceeds of old stores and materials ; livestock section receipts ; and recoveries of overpayments made in previous years.

The grants given by the Imperial Council of Agricultural Research are for the investigation of certain animal and poultry diseases and for sheep breeding. These grants and the contributions for cattle improvement are credited on receipt to a deposit head and the expenditure incurred is debited to the expenditure head "41. Veterinary", whilst a corresponding amount is credited to this head.

158. *Collection of payments for services rendered.*—The main item of receipt under this head is the contribution levied towards the leave salary of officers in foreign service.

XXXI. Co-operation.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.	
Audit fees	·91	·85	1·01	1·07	40
Miscellaneous receipts—					
Direct receipts	2·42	2·32	2·25	2·51	
Transfers from deposit accounts ..	·93	·99	·96	·39	
Total ..	**4·26**	**4·16**	**4·22**	**3·97**	
Deduct—Refunds	·04	·04	·06	·05	
Grand total ..	**4·22**	**4·12**	**4·16**	**3·92**	

Revenue.

159. *Audit fees.*—Fees for the audit by the staff of the Co-operative Department of the accounts of co-operative banks and societies other than societies for the audit of which special staff is employed are credited to this minor head.

The rates of fees are —

	Fee per diem. RS.	A.	P.
Central banks	5	8	0
Urban banks with a working capital of Rs. 1 lakh and over ..	5	8	0
Urban banks with working capital of less than Rs. 1 lakh and other types of societies liable to pay fees under the rules ..	3	12	0

160. *Miscellaneous receipts.*—These fall into two categories—

Receipts directly realized by the Co-operative Department ; and

Amounts transferred from the deposit accounts of grants from the Central Government for co-operative training and education, and of grants from Sugar Excise duty to societies of sugarcane growers to enable them to secure better prices for their cane.

Reference to pages in the Detailed Budget Estimates of Revenue.

40 The grants from the Central Government for co-operative training and education and from the Sugar Excise duty are, on receipt, credited to the deposit account. The expenditure on co-operative training and education and the subsidies given to cane-growers' societies including leave and pensionary contribution are debited to 42 Co-operation, whilst corresponding amounts are transferred to this head by debit to the deposit account. The leave and pensionary contributions on account of Government servants lent to cane-growers' societies adjusted from the deposit account are credited respectively to direct receipts under this head and XLIV. Receipts in aid of superannuation.

Explanation of variations.

161. *Miscellaneous receipts.*—The increase in the budget estimate for 1942–1943 is due to the large amount of recovery anticipated from the Central Land Mortgage Bank towards the cost of co-operative Sub-Registrars including travelling allowance and contingencies.

162. *Transfers from deposit accounts.*—The decrease in the budget estimate, 1942–1943 is due to restricted activities in connexion with the schemes financed from the Central Government for Co-operative training and education

XXXII. Industries.

41–42

	Accounts, 1940–1941.	Budget, Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
Industries—				
Direct receipts	5·52	5·49	7·28	6·49
Transfers from deposit accounts ..	1·39	1·39	1·63	1·20
Cinchona plantations	14·82	14·20	15·00	12·28
Fisheries—				
Direct receipts	4·31	5·07	5·46	4·59
Transfer from deposit account ..	..	..	·03	·13
Recoveries of overpayments	·10	..	·03	·01
Collection of payments for services rendered	·05	·04	·05	·04
Total ..	**26·19**	**26·19**	**29·48**	**24·74**
Deduct—Refunds	— ·07	— ·08	— ·07	— ·06
Grand Total ..	**26·12**	**26·11**	**29·41**	**24·68**

Revenue.

Industries.

163. This major head records the revenue received in connexion with the Industries, Cinchona and Fisheries Departments in this Province.

164. *Industries.*—Revenue received directly by the Industries Department and amounts transferred from the deposit accounts of the Central Government's grants for the development of the sericultural, handloom and woollen industries are credited to this minor head.

165. *Direct receipts.*—These include receipts from the sale of soap and other preparations manufactured at the Kerala Soap Institute, the fees levied and the sale of articles made in the various technical and industrial schools run by the Industries Department, the fees and other receipts connected with the department's pumping and boring activities, recoveries on account of work executed in the Industrial Engineering Workshops, Madras, for the pumping and boring branch and other sections of the Industries Department, other Government departments and private parties, and on account of the hand-boring sets manufactured at the workshops for rural water-supply schemes, receipts from the fish liver oil industry and the hire of sugarcane-crushing mills and sugar centrifugals and the sale of the products of the silk farms at Coonoor, Hosur, Palmaner and Thadaguni, of the oils and fats produced by the Kerala Soap Institute, and of unserviceable and surplus stores and interest on the depreciation reserves of the Kerala Soap Institute and the Industrial Engineering Workshops deposited with the Government.

Reference to pages in the Detailed Budget Estimates of Revenue.

166. *Transfers from deposit accounts.*—Grants are made by the Central Government for the development of the handloom weaving industry, of cottage and small scale woollen industries and for the production and distribution of disease-free cellular and cross-breed seeds for the production of silk worms and for research on the diseases of silk worms. These grants are credited to deposit accounts on receipt. The expenditure incurred on the objects mentioned above is debited to the appropriate heads under the major expenditure head 43. Industries and a corresponding amount is credited to this receipt head by debit to the deposit heads concerned. 41-42

167. *Cinchona plantations.*—The raw produce of the Government Cinchona plantations in the Nilgiris and Coimbatore and the bark purchased in bulk from Java, the Bengal Government and private plantations are converted into finished products at the Government factory and packed in bulk and consigned for sale at the Madras Penitentiary. The sale-proceeds of these products, including the payment by the Public Health Department of the loss on account of the sale of quinine at concessional rates, are credited to this minor head. (The commission payable to the Jail Department is debited to the head 43. Industries—Cinchona plantations.) The interest on the depreciation reserve of the Cinchona Department deposited with the Government is also credited to this minor head.

168. *Fisheries—Direct receipts.*—The receipts realized by the Fisheries Department from its operations and the rentals of inland fisheries in public waters taken over for stocking with fish by the department are credited to this head. The greater part of the receipts accrues from the fish-curing yards on the East and West Coasts, the pearl fisheries in Tinnevelly and Ramnad, the chank fisheries in Tinnevelly, Tanjore, South Arcot, Nellore and Chingleput, inland fisheries (a very large part of the receipts from which is paid over to local bodies as compensation), the Marine Aquarium in Madras and the Nilgiri and Palni Hills fisheries (the receipts from which are paid over to the Nilgiri and Palni Hills Game Associations). There are some receipts also from the marine biological stations at Ennore, Krusadai island and West Hill, Calicut, the oyster farm at Pulicat and rents.

169. *Transfers from deposit account.*—This head has been newly opened with effect from the revised estimate for 1941–1942 to record the transactions relating to the Rural Piscicultural Scheme subsidized by the Imperial Council of Agricultural Research.

170. *Recoveries of overpayments.*—Overpayments recovered after the year of payment are credited to this minor head.

171. *Collection of payments for services rendered.*—The contribution from the Madras and Southern Mahratta Railway for services rendered by the Industries Department in connexion with the supervision of its Perambur branch school is the chief item of receipts under this head.

172. *Refunds.*—The refunds in the Industries Department are mainly of excess amounts collected in advance in connexion with work-orders and pumping and boring operations, and of amounts representing the advances and the daily hire charges for power-drills and hand-boring sets paid by private parties for whom unsuccessful borings have been put down by the department. Refunds in the Fisheries Department are mainly of excess amounts collected from purchasers of oysters and fishery products and of fishery rentals subsequently remitted.

Explanation of variations.

173. *Industries—Direct receipts.*—The increase in the revised estimate for 1941–1942 is mainly due to large orders received from the Medical Stores Depot for the supply of silkworm ligature guts, larger receipts from the pumping and boring activities and to the contribution from the Government of India towards the training of war technicians in the Industrial schools of this Province. The decrease in the budget estimate for 1942–1943 as compared with the revised estimate for 1941–1942 is due to a reduced demand for ligature guts and a fall in receipts from pumping and boring operations partly offset by larger sales of the Kerala Soap Institute products and fish liver oil.

174. *Cinchona plantations.*—The increase in the revised estimate is based on the course of actuals during 1941–1942 while the decrease anticipated in the budget estimate for 1942–1943 is due to restricted manufacture of quinine products on account of shortage of bark.

175. *Fisheries—Direct receipts.*—The increase in the revised estimate for 1941–1942 is mainly due to larger receipts anticipated from the fish-curing yards partly offset by a fall in income from the pearl and chank fisheries.

Reference to pages in the Detailed Budget Estimates of Revenue.

The decrease in the budget estimate for 1942-1943 as compared with the revised estimate for 1941-1942 is due to a bigger drop anticipated in the revenue from the pearl and chank fisheries and to smaller receipts from the fish-curing yards.

XXXVI. Miscellaneous Departments.

41-42

43-44

	Accounts, 1940-1941.	Budget Estimate, 1941-1942.	Revised Estimate, 1941-1942.	Budget Estimate, 1942-1943.
Examination fees	6·92	7·09	7·72	7·57
Fees for the inspection of steam boilers ..	·67	·66	·70	·70
Fees for the registration of trade unions ..	..	..	..	..
Administration of Indian Partnership Act, 1932.	·03	·03	·03	·03
Miscellaneous	·58	1·05	1·16	1·35
Total ..	**8·20**	**8·83**	**9·61**	**9·65**
Deduct—Refunds	— ·06	— ·03	— ·04	— ·03
Grand Total ..	**8·14**	**8·80**	**9·57**	**9·62**

Revenue.

176. This major head of revenue is intended to record the receipts in departments the cost of which is debited to the major head 36. Scientific Departments for which there is no specific corresponding head on the receipt side (e.g., museums) and to the major head 47. Miscellaneous Departments.

177. *Examination fees.*—These are fees and other receipts realized from examinations conducted by—

(1) the Commissioner for Government Examinations (secondary school-leaving certificate, training-school leaving certificate and technical and physical training teachers' certificate examinations, Public examination at the end of VIII Standard, Technical examinations such as typewriting and shorthand, Sanskrit and European school examinations and examination for engine drivers and water-works fitters);

(2) the Madras Public Service Commission (clerkship and other examinations for entry into Government service, selections without examination, examinations in departmental and special tests and language and other examinations for Government servants); and

(3) the Board of Revenue (Village Officers' Special Tests).

178. *Fees for the inspection of steam boilers.*—Fees levied for the registration and renewal of certificates of boilers under the Indian Boilers Act, 1923, and the regulations and rules made thereunder are the main items credited to this head.

179. *Fees for the registration of trade unions.*—Fees realized for registration of trade unions under the Indian Trade Unions Act, 1926, are credited to this head.

180. *Administration of the Indian Partnership Act.*—Fees levied under the Indian Partnership Act, 1932, and the Madras Partnership (Registration of Firms) Rules issued thereunder for registration of firms, recording alterations in their names and principal places of business, inspection of registers and filed documents and grant of certified copies of any entry in the register of firms are credited to this head.

181. *Miscellaneous.*—The receipts credited to this head are mainly those realized—

(1) by the Labour Department from the sale of produce and manufactures of settlements for criminal tribes, and from institutions, hostels and other activities conducted by the department for Kallars and other communities eligible for help by the Labour Department;

(2) by the Chief Engineer for Electricity from applicants for posts of junior engineers, supervisors, etc., in the department and of electrical engineers under local bodies and by sale of specifications; and

(3) by the Registrars of Births and Deaths and by the Registrar-General of Births, Deaths and Marriages for searches in and copies of records relating to births, deaths, marriages, baptisms and burials, from the Government Museum and the Connemara Library and from the registration of companies under the Indian Companies Act, 1913, and of societies under the Act of 1860.

EXPLANATION OF VARIATIONS.

Reference to pages in the Detailed Budget Estimates of Revenue.

182. *Examination fees.*—The increase in the estimates is due to larger receipt anticipated from examinations conducted by the Commissioner for Government Examinations, consequent on the increase in the number of candidates. 43–44

183. *Miscellaneous.*—Larger receipts anticipated from the match industry in the Chintaladevi settlement account for the increase in the budget estimate for 1942–1943.

XXXIX. Civil Works. 45

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
Rents	6·71	6·70	6·55	6·55
Receipts from workshops	·63	·40	·65	·60
Recoveries of expenditure	1·19	1·25	1·30	1·25
Transfer from Central Road Fund	17·00	30·19	22·71	24·98
Miscellaneous	2·39	2·30	1·76	1·76
Receipts in England	..	..	..	..
Total ..	**27·92**	**40·84**	**32·97**	**35·14**
Deduct—Refunds	— ·38	— ·25	— ·80	— ·30
Grand Total ..	**27·54**	**40·59**	**32·17**	**34·84**

Revenue.

184. *Rents.*—Rents for residential and non-residential buildings and hostels in charge of the Public Works Department, including rents for furniture and other special amenities, recovered from the occupying Government servants and students, from Provincial commercial departments, such as the Irrigation, Electricity and Cinchona departments, and from departments of the Central Government, local bodies and others are credited to this head.

185. *Receipts from workshops.*—A portion of the indirect charges recovered in the workshops at Madras, Bezwada and Dowlaishwaram is credited to this minor head. This portion is made up of (1) interest on capital and depreciation of buildings in the case of all the workshops and (2) recovery of tools and plant charges in the case of the workshops at Bezwada and Dowlaishwaram. The amount recovered under tools and plant charges on account of the Madras workshop is treated as a deduction from the expenditure under the minor head "Tools and Plant" under "50. Civil Works" as the charges do not pertain to the Madras Circle alone but are distributable over all the circles in the Province.

186. *Recoveries of expenditure.*—Recoveries on account of (*a*) damage caused by occupants to buildings, furniture, etc.; (*b*) overpayments made in previous years; (*c*) contribution for leave salary of officers on foreign service; (*d*) tools and plant charges from contractors; (*e*) refunds of unspent balances of grants originally debited to 50. g. Civil Works—Grants-in-aid in respect of water-supply and drainage schemes of local bodies executed by the Public Works Department and recoveries on account of arrears, if any, of centage charges in respect of such works; (*f*) contribution from local bodies and others in respect of Government works and (*g*) sale-proceeds of old tools and plant, materials, unserviceable articles and the like (except when they have to be adjusted in reduction of expenditure, as in the case of works in progress and those debited to a capital head) are credited to this head.

187. *Transfer from Central Road Fund.*—Allocations from the Central Road Fund (to which receipts from the special additional duty on motor spirit levied for road development are transferred) made by the Central Government to the Provincial Government are credited on receipt to the Provincial deposit head Subventions from Central Road Fund. From 1937–1938 such allocations will be made only after the balance in the Provincial deposit account at the beginning of the year has been exhausted.

Reference to pages in the Detailed Budget Estimates of Revenue.

45 The actual expenditure incurred by a Provincial Government from time to time on specific road works or objects approved by the Central Government is charged in the Provincial accounts to the head 50. Civil Works under the minor heads Communications and Grants-in-aid or other appropriate heads of account. An equivalent amount is transferred month by month from the deposit head Subventions from Central Road Fund to the revenue head XXXIX. Civil Works, or other corresponding head, inclusive of the portion payable from the Central Government's unallotted reserve in its Road Fund in respect of works partly financed from the Central Government's reserve and partly from the Provincial share.

188. *Miscellaneous.*—The receipts credited to this minor head are rents from land as distinguished from rents for buildings; sale-proceeds of produce such as wood, grass, fruits, vegetables, etc., from the compounds of Government buildings and those taken on lease, when such produce is Government property and not grown by the occupants; sale-proceeds of Public Works Department buildings transferred to Central departments; supervision charges on sales of stock; value of stores found surplus; profits on stock due to revaluation; lapsed tender and other deposits; fines; deposits of contractors confiscated for reasons other than damage to works; and all extraordinary items of receipts which cannot be booked under other minor heads.

189. *Receipts in England.*—The receipts in England generally consist of recoveries of overpayments.

Explanation of variations.

190. *Receipts from workshops.*—The increase in the revised and the budget estimates is based on the improvement noticed in the receipts during the course of 1941–1942.

191. *Miscellaneous.*—The revised and the budget estimates are based on the average of the actuals for the last three years (1938–1939 to 1940–1941) as the receipts under this head are of a fluctuating nature.

192. *Refunds.*—The increase in the revised estimate is mainly due to the adjustment made in 1941–1942 of centage charges on water-supply schemes executed on behalf of local bodies.

46–48

XLI. Receipts from Electricity Schemes—Gross Receipts.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
Hydro-electric schemes—				
Pykara hydro-electric scheme	43·14	44·41	47·01	47·68
Mettur hydro-electric scheme	18·19	18·83	21·54	23·20
Thermo-electric schemes—				
Vizagapatam electric scheme	1·77	1·93	1·88	2·45
Bezwada electric scheme	2.84	3·25	3·51	4·03
Cocanada electric scheme	·47	·81	·73	·86
West Godavari electric scheme	..	..	..	·21
Total ..	**66·41**	**69·23**	**74·67**	**78·43**

Revenue.

193. This major head records the gross revenue from hydro-electric and thermo-electric schemes, after they have begun operation and regular revenue accounts have been opened for them. Any revenue which accrues before these accounts are opened is taken in reduction of the capital outlay under recoveries on capital account.

Working expenses, which include contributions to the depreciation and special reserve funds when these have been created, are adjusted in the accounts in reduction of gross receipts.

Separate accounts of gross receipts and working expenses are maintained for each main system.

194. *Gross Receipts.*—The receipts are accounted for under the following minor heads :—

Sale of power.

Miscellaneous revenue.

Deduct—Refunds.

The energy generated at the power-houses of each system is sold either in bulk to municipal and other licensees, who distribute it to individual consumers, or directly to consumers such as factories, mills, workshops, tea estates, villagers and agriculturists. Receipts on this account are credited to the head Sale of power.

Reference to uagos in the Detailed Budget Estimates of Revenue. 46–48

Under the head Miscellaneous revenue are credited meter rentals, recoveries of leave contribution from municipalities on account of establishments employed on municipal undertakings, and interest on the value of electric appliances supplied to individual consumers on the hire-purchase system (recoveries on account of the cost of appliances being taken in reduction of expenditure under Working expenses—Suspense), rents of residential buildings, sale-proceeds of unserviceable stores and materials, interest on securities held in the depreciation and special reserve funds and other items.

EXPLANATION OF VARIATIONS.

195. *Pykara hydro-electric scheme.*—The increase in the revised estimate for 1941–1942 is chiefly due to the larger consumption of power by the Cordite Factory and to the general development of load above anticipations. The budget estimate for 1942–1943 allows for a further growth in the demand for power.

196. *Mettur hydro-electric scheme.*—The development of load above anticipations and the commencement of operation of new schemes account for the increase in the revised estimate for 1941–1942. The budget estimate for 1942–1943 allows for anticipated growth of load of the system, including fresh schemes expected to commence operation in 1942–1943 and for increased revenue under interest on securities in the depreciation and special reserve funds due to the further investment made during the current year.

197. *Vizagapatam electric scheme.*—The increase in the budget estimate for 1942–1943 is due to the anticipated larger demand for power on account of the development of the ship-building yard at Vizagapatam.

198. *Bezwada electric scheme.*—The increase in the estimates is due to the normal growth of load in the system.

199. *West Godavari electric scheme.*—The scheme is expected to commence operation from 1st July 1942 and the budget estimate for 1942–1943 provides for revenue on the basis of the load forecast.

XLIV. Receipts in aid of Superannuation.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
Contributions for pensions and gratuities ..	2·52	2·33	3·11	2·56
Miscellaneous (including receipts in England) ..	·02	·01	·01	·01
Total ..	**2·54**	**2·34**	**3·12**	**2·57**
Deduct—Refunds	— ·05	— ·01	— ·02	— ·02
Grand Total ..	**2·49**	**2·33**	**3·10**	**2·55**

49

Revenue.

200. *Contributions for pensions and gratuities.*—The receipts under this minor head consist mainly of pensionary contributions (and leave contributions when a combined rate is levied for both) on account of the railway police employed on 'order' duties, of officers jointly employed in the administration of Central and Provincial subjects, of officers lent to other Governments, local bodies, estates and others (e.g., the Pasteur Institute, Coonoor) on foreign service terms, and of officers employed by the Madras Government on behalf of the Central Government (e.g., staff for the administration of grants from Sugar Excise Duty), local bodies and others subject to the recovery of the cost in full or in part; contributions from local bodies for payment of pensions from Provincial revenues in respect of their employees or specified classes of them and contributions recovered from foreign employers towards Government's liability under the I.C.S. (Non-European Members) Provident Fund Rules. Interest, if any, on arrears of leave and pensionary contributions in respect of Government servants on foreign service is also credited to this head.

MUL
110841

Reference to pages in the Detailed Budget Estimates of Revenue.

49 201. *Miscellaneous.*—Recoveries of overpayments, if any, made to pensioners in previous years and the bonus contributions from non-Government authorities on account of their employees admitted to the benefits of the Contributory Provident Fund (Madras) are the main items of receipts credited to this minor head.

EXPLANATION OF VARIATIONS.

202. *Contributions for pensions and gratuities.*—Adjustment of pension charges, with retrospective effect from June 1938, in respect of water-supply and drainage schemes executed or supervised by the Public Works Department on behalf of local bodies, recoveries of pensionary contributions in respect of the staff employed on the passing of timber for the Defence Department and similar recoveries anticipated in respect of the staff employed on the motor spirit rationing scheme account mainly for the increase in the revised estimate for 1941–1942. The absence of arrear contributions in respect of water-supply and drainage schemes and the anticipated reversion from Orissa of some officers of this Government account mainly for the decrease in the budget estimate for 1942–1943.

XLV. Stationery and Printing.

50

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
Stationery Receipts	·29	·26	·45	·45
Sale of Gazettes and other Government publications.	·90	·83	1·30	1·30
Other Press Receipts	4·92	2·75	3·23	3·41
Receipts in England	..	..	..	..
Total ..	**6·11**	**3·84**	**4·98**	**5·16**
Deduct—Refunds	— ·01	— ·01	— ·01	— ·01
Grand Total ..	**6·10**	**3·83**	**4·97**	**5·15**

Revenue.

203. The Stationery and Printing Departments fall in the category of service departments which are not permitted to charge one another for services which fall within the duties for which they are constituted. But services rendered or supplies made by the Stationery and Printing Departments to the Posts and Telegraphs and other Central departments, Government commercial departments, local bodies and others are charged for.

204. *Stationery receipts.*—Recoveries on account of the cost of stationery supplied by the Superintendent of Stationery from the Provincial Stationery Stores to local bodies and others and of centage charges for the supply of typewriters, duplicators, etc., to Government servants for their personal use and to approved quasi-Government offices, and amounts realized by the sale of waste-paper in public offices, press cuttings at the Government Press, Madras, condemned typewriters, duplicators, etc., and unserviceable and damaged articles are credited to this head.

205. *Sale of gazettes and other Government publications.*—Subscriptions for the Fort St. George and District Gazettes, Indian Law Reports (Madras Series) and sale-proceeds of loose copies of these publications and other publications including departmental publications of the High Court produced by funds provided under 56. Stationery and Printing are credited to this minor head.

206. *Other Press receipts.*—The receipts under this head comprise recoveries on account of the supply of forms, private notifications and advertisements in the official gazettes or other publications issued from the Government Press, and printing and binding work at Government Presses on behalf of local bodies, commercial departments and others, the recovery of the cost of paper, printing and binding materials supplied and postage and freight charges incurred in the rendering of the services ; the recovery of the cost of work done for local bodies in connexion with the printing of electoral rolls, etc., at private presses, the expenditure on which is debited to 56. Stationery and Printing—Printing at Private Presses ; the value of types manufactured for renewals and replacements the

Reference to pages in the Detailed Budget Estimates of Revenue.

50

cost of which is debitable to the Government Presses Depreciation Fund; sale-proceeds of saleable forms including service registers, unserviceable plant, machinery and other articles; and the commission earned in respect of sales of University and Central Government publications.

207. *Receipts in England.*—The receipts under this head represent the sale-proceeds of publications of the Madras Government realized in England.

EXPLANATION OF VARIATIONS.

208. *Stationery receipts.*—The increase in the estimates is due to increased prices of stationery articles.

209. *Sale of gazettes and other Government publications.*—The increase in the estimates is due to sale of text-books for eighth standard Public examinations.

210. *Other Press receipts.*—The increase in revised estimate, 1941–1942, is mainly due to the anticipated recovery from the Central Government on account of printing of the fresh electoral rolls of the Central Legislative Assembly. The increase in the budget estimate, 1942–1943, is due to the anticipated recovery from local bodies on account of the cost of relevant portions of the Madras electoral rolls.

XLVI. Miscellaneous.

51–52

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
	RS.	RS.	RS.	RS.
Unclaimed deposits	3·88	3·51	3·65	3·65
Sale of old stores and materials ..	·17	·04	·05	·05
Sales of land and houses	·02	·01	·01	·01
Fees for Government audit	·83	·80	·80	·80
Rents, rates and taxes	·07	·04	·06	·06
Other fees, fines and forfeitures ..	3·36	3·47	3·24	3·25
Transfer from the deposit account of grants for economic development and improvement of rural areas	3·19	5·00	6·00	4·96
Recoveries of overpayments	·22	·20	·35	·22
Collection of payments for services rendered	3·07	2·64	2·68	3·23
Net gain by exchange on local transactions	..	..	..	..
Net gain by exchange on remittance transactions	..	..	..	..
Miscellaneous	13·96	16·91	16·25	15·63
Receipts in England	..	..	..	..
Total ..	**28·77**	**32·62**	**33·09**	**31·86**
Deduct—Refunds	1·82	1·60	1·92	1·92
Grand Total ..	**26·95**	**31·02**	**31·17**	**29·94**

Revenue.

211. This major head is the revenue head corresponding to the expenditure heads 25. General Administration and 57. Miscellaneous, and is intended to record revenues pertaining to the same subjects as these expenditure heads and all other revenues which it is not found possible to bring into account under any of the descriptive major heads of revenue.

Reference to pages in the Detailed Budget Estimates of Revenue.

51–52 212. *Unclaimed deposits.*—Many deposits of various kinds are received by Government servants in the course of Government business and are held temporarily in the deposit section of the Government accounts until repaid or adjusted under the appropriate heads of account. A certain number, however, remain unadjusted every year and, with a view to ensuring the clearance of the items in the deposit accounts, rules have been framed for treating deposits remaining unclaimed or unadjusted for specific periods (which have been fixed with reference to the amounts or classes of deposits) as having lapsed to the Government. Such lapsed deposits are credited to this head, but if they are subsequently claimed and the claims are admitted, they are refunded by adjustment to Refunds under this major head. Lapsed cash orders are also credited to this head.

213. *Sale of old stores and materials.*—Receipts by sale of old stores and materials in the possession of departments and offices the cost of which is debited to 25. General Administration or 57. Miscellaneous are credited to this minor head.

214. *Sales of land and houses.*—Sale-proceeds of land and buildings disposed of by the Revenue Department owing to their not being required for the use of any department, except those relating to the Public Works Department and quasi-commercial departments such as the Irrigation and Electricity Departments, and recoveries from labourers and others on account of house-sites provided for them from expenditure debited to 25. General Administration, are credited to this minor head.

215. *Fees for Government audit.*—To this minor head are credited fees for the audit by the Examiner of Local Fund Accounts of the accounts of Universities, official receivers, wards' estates, port and marine funds, Hindu Religious Endowments Board, the chatram charities in the Tanjore district, municipal electrical undertakings (which are worked on a commercial basis), the Administrator-General and Official Trustee, the Suitors Fund (High Court), the endowments under local bodies and private individuals and associations in receipt of grants from Government.

216. *Rents, rates and taxes.*—Rents, including local rates and taxes, if any, recovered from revenue subordinates occupying Government quarters the cost of which is debited to 25. General Administration and in respect of other buildings under the control of the Revenue Department are credited to this minor head.

217. *Other fees, fines and forfeitures.*—The main items of revenue credited to this minor head are fees for stamping weights and measures, cattle-pound receipts (except in Madras City and in reserved and unreserved forests which are credited to XXIII. Police and X. Forest respectively) and fees and other receipts connected with elections to the Central and Provincial Legislatures and local bodies. The object of stamping weights and measures is to induce recognition by shopkeepers and in the bazaar of the established standards. The weights and measures used by shopkeepers are tested and their values according to the recognized standards are recorded on them. The stamping is done by peripatetic stamping parties attached to Collectorates. The scale of fees is so regulated as to cover the expenditure which is debited to 25. General Administration—District Administration—Other establishments—Establishments for stamping weights and measures.

Cattle-pound receipts include fines on impounded cattle, sale-proceeds of such cattle when the fines are not paid or the cattle are not claimed, recoveries of feeding charges from owners and other sundry receipts from the cattle-pounds. The major portion of these receipts is offset by expenditure on the maintenance of the pounds which is debited to 25. General Administration—District Administration and Miscellaneous—Other establishments—Cattle-pounds.

218. *Transfer from deposit accounts.*—This head records the transfer from the Central Government's grant for the economic development and improvement of rural areas which is explained in paragraph 712.

219. *Recoveries of overpayments.*—Recoveries of service payments made in excess in previous years, when the original payment is debited to departments not having a revenue head (25. General Administration and 57. Miscellaneous), are credited to this minor head, such recoveries made within the financial year being adjusted in reduction of expenditure.

220. *Collection of payments for services rendered.*—This head records fees for indicating boundaries, recoveries on account of special staffs employed in laying down regular lines of streets in municipal areas and for acquisition of land for local bodies, recoveries of leave, passage and other contributions (excluding pension contributions) from foreign employers and of commission from wards' estates for the services rendered

Reference to pages in the Detailed Budget Estimates of Revenue.
51–52

by the treasury and other establishments in Collectorates, recoveries of repatriation charges from other Governments, payments by the Burma Government for services rendered on its behalf in the treasuries of this Province, and arrear payments by the Central Government for services rendered by Collectors in connexion with passport work, elections to central legislatures, administration of statutory and non-statutory work relating to Haj pilgrimage, the Indian Naturalization Act, 1926, and the British Nationality and Status of Aliens Act, 1914, and war, recoveries on account of village establishments, from non-union panchayats on account of election expenses incurred by the Inspector of Municipal Councils and Local Boards, from local bodies of charges incurred by Collectors in taking execution proceedings on their behalf for recovery of surcharged amounts, from the Hindu Religious Endowments Board on account of percentage charges for collecting its dues and from charitable endowments vested in the Treasurer of Charitable Endowments (the Accountant-General) for the maintenance of their accounts, for which a contribution has to be paid to the Central Government, and other items similar to these. Recoveries from wards' estates on account of the Court of Wards establishments in the Board of Revenue and Collectorates, and contributions on account of the chatram village establishments in the Tanjore district are also credited to this minor head.

221. *Net gain by exchange on local transactions.*—The effect of exchange on sterling transactions relating to the General Provident Fund is booked under this head.

222. *Net gain by exchange on remittance transactions.*—The gain or loss by exchange —see paragraph 609—on debt, deposit and remittance transactions is recorded under this head. If there is a net gain by exchange, it is credited to this head, and if there is a net loss it will be taken as deduction from receipts under this head.

223. *Miscellaneous.*—Sale-proceeds of coir from the Laccadives and the Amindivi Islands which is purchased from funds provided under 25. General Administration—District Administration—General Establishments—Laccadives and Amindivi Establishment, recoveries on account of law charges other than in pauper suits when such charges are debited to heads not having a corresponding revenue head, sale-proceeds of weights and measures, skins, etc., of wild animals for the destruction of which rewards are paid, and materials used for the construction of polling booths, nazarana paid by zamindars on their installation, and all receipts not provided for within the regular classification are credited to this minor head.

Buried treasure which has been discovered and has been declared ownerless under the Indian Treasure Trove Act, 1878, is ordinarily delivered to the finder or divided as prescribed in the Act. In cases where it is not so delivered or divided owing to the failure of the finder to give notice of the discovery to the Government or other causes, the treasure is sold and the sale-proceeds are also credited to this minor head.

The recoveries arising from the operation of the Provincial Loan Account and utilized for amortization of the pre-autonomy and post-autonomy debts hitherto treated as deduction of charges under 23. Appropriation for reduction or avoidance of debt are with effect from 1940–1941 treated as receipts and credited to this head under the detailed head " Transfer of recoveries arising from the operations of the Provincial Loan Account ".

(i) *Pre-autonomy debt.*—The pre-autonomy debt due to the Central Government includes also a portion (viz., 32·45 lakhs) which was utilized for re-lending to local bodies and others. Recoveries are being made from the latter and it is expected that this sum will be recovered in full by 1948–1949. The annual equated payment on this sum repayable with interest at $4\frac{1}{2}$ per cent per annum (the rate of interest on the consolidated pre-autonomy debt due to the Central Government) in half-yearly equated payments from 1937–1938 to 1948–1949 is 3·77 lakhs. The portion of this payment representing principal is adjusted in reduction of the portion representing principal in the annual equated payment made to the Central Government from the current revenues of the Province in respect of the consolidated debt, by transfer from recoveries initially credited as receipts under Loans and Advances by the Provincial Government. As a result of the gradual repayment of the principal, the interest portion of the repayment shows a decrease in each successive year from 1938–1939 and there is a corresponding increase in the portion representing principal to be shown as a receipt under this head.

(ii) *Post-autonomy debt, i.e, loans raised by the Government in the open market after* 1st *April* 1937.—The amount of each open market loan utilized for re-lending to agriculturists, local bodies, etc., from 1937–1938 is amortised by annual contributions beginning from the financial year after that in which each such loan is raised and

Reference to pages in the Detailed Budget Estimates of Revenue.

51–52 continuing throughout the period of currency of the open market loan. The contribution is calculated on a Sinking Fund basis at a rate of betterment equal to the nominal rate of interest on the loan and an amount equal to this annual contribution is adjusted from recoveries under the Provincial Loan Account by credit under this head.

224. The Central Government have sanctioned the establishment of transmitting stations in this Province at Madras and at Trichinopoly. The expenditure on the establishment, maintenance and operation of these stations and on programmes is met by the Central Government. The Madras Government have, in pursuance of the policy of rural reconstruction and uplift of the population of this Presidency, arranged for the supply of radio receiver sets to a few important villages in each of the areas served by the transmitting stations for the reception and dissemination of broadcast talks from the stations. The cost of installation of public receiving sets, is met by the Provincial Government and debited to the expenditure head 25. General Administration—vide paragraph 370. Recoveries from panchayats and municipal councils of the cost of receiving sets supplied to them by the Radio Engineer and of the maintenance charges of the sets are credited to this head.

225. *Receipts in England.*—Refund of overpayments made in previous years in respect of this Province's share of cost of High Commissioner's establishment and other miscellaneous receipts in England not pertaining to any of the descriptive major heads of revenue are credited to this head.

226. *Refunds.*—Refunds of deposits credited as lapsed under the minor head 'Unclaimed' deposits and of excess recoveries of election charges from local bodies are the main items under this head.

EXPLANATION OF VARIATIONS.

227. *Other fees, fines and forfeitures.*—The decrease is mainly due to a fall in receipts from cattle pounds.

228. *Transfer from the deposit account of grants for economic development and on improvement of rural areas.*—The variations are explained in paragraph 379.

229. *Miscellaneous.*—The decrease in the revised estimate is mainly due to smaller recovery arising from the operation of the Provincial Loan Account consequent on the utilisation of a smaller amount of post-autonomy debt for that account than anticipated in the budget. The sale proceeds of coir are expected to be less owing to the anticipated fall in price. These decreases have been partly offset by larger contribution for Provincial Broadcasting from panchayat boards and municipal councils. The decrease in 1942–1943 is due to smaller contributions anticipated for Provincial Broadcasting.

230. *Refunds.*—The estimate is based on the progress of actuals.

L. Miscellaneous adjustments between Central and Provincial Governments.

52

—	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
Miscellaneous adjustments between Central and Provincial Governments.	·26	·25	·22	·22

Revenue.

231. The fees realized on licences and permits issued by the district authorities under the Petroleum and the Explosives Acts and the rules thereunder are creditable to Central revenues. The Government of India have agreed to pay to the Provincial Government for the agency work done by their officers an amount equal to the net fees realized in the Province. The fees were till 1938–1939 credited direct to the Provincial revenue heads. With a view to make both the receipts and payments pass through the Central Accounts, it has been decided that, with effect from 1938–1939, the fees realized on licences and permits issued by the district authorities should be credited to Central revenues by deduction of the amounts from the Provincial receipt heads initially credited, and that, at the same time, an equivalent amount should be credited to the Provincial revenues as payment for the agency functions under the head L. Miscellaneous adjustments between the Central and Provincial Governments by debit to Central Accounts.

The estimates have been fixed by the Accountant-General with reference to the particulars obtained from the district authorities.

GRANTS.

Grant I—Land Revenue.

Reference to pages in the Detailed Annual Estimate of Expenditure. 1–7

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
7. Land Revenue—				
Survey, settlement and record operations	7·43	6·00	4·74	4·97
Land records	2·18	2·08	3·80	3·46
Assignments and compensations ..	13·13	13·75	13·42	13·53
Charges in England ..	·11	·04	·43	·21
Total ..	**22·85**	**21·87**	**22·39**	**22·17**

Expenditure.

232. In this Province the greater part of the cost of the collection and administration of the land revenue is not debited to the major head 7. Land Revenue. The work is performed by the district staffs of the Revenue Department, the cost of which is debited to the head 25. General Administration—District Administration which is included in Grant XI. Expenditure incurred exclusively in connexion with the administration of the land revenue is debited to the major head 7. Land Revenue as described below.

233. *Survey, settlement and record operations.*—Charges incurred on account of the Central Survey Office in Madras and the Range and Mobile Survey staff working in the districts are debited to this minor head. Owing to the stoppage of settlement operations, the portion of the charges on account of the officers and establishment of the Board of Revenue, hitherto debited to this head is being debited to 25. General Administration with effect from 1941–1942.

234. *Land records.*—The expenditure incurred on the maintenance of records of surveys in estate, municipal and union areas and on record-of-rights operations is debited to this minor head. The charges on the maintenance of ryotwari surveys hitherto shown under " Charges of Administration " are also included under this head with effect from 1941–1942.

235. *Assignments and compensations.*—The expenditure debited to this minor head is that on assignments of land revenue in lieu of land for the performance of meritorious services to the State, payments to religious institutions in lieu of deductions from the revenue collections, alienations of land revenue to inamdars and other grantees, compensation to excluded proprietors and others in lieu of resumed lands, payments to local bodies in respect of fishery rentals and tree-tax collected by the Revenue Department on their behalf, and payments to mufassal municipalities representing the excess of the ground rent collected over the ordinary agricultural assessment on land in municipal areas.

236. *Charges in England.*—The leave salary and sterling overseas pay of the officers of the Survey department, law charges incurred in England in connexion with Privy Council appeals, and the cost of stores purchased for the Survey office are debited to this head.

Explanation of variations.

237. *Survey, settlement and record operations.*—The introduction of the new scheme of maintenance work necessitating separation of the maintenance staff from the range and mobile staff and smaller expenditure on boundary pillars and hired labour than was anticipated in the budget mainly account for the decrease in the revised estimate for 1941–1942. The budget estimate for 1942–1943 includes provision for increments and for leave allowances and a full year's provision for the grant of dearness allowance.

238. *Land records.*—The increase in the revised estimate for 1941–1942 is due mainly to the transfer to this head of the charges connected with the maintenance of ryotwari surveys. The completion of the record-of-rights operations in the Chittoor and Vizagapatam districts accounts mainly for the decrease in the budget estimate for 1942–1943.

239. *Assignments and compensations.*—The decrease in the revised estimate for 1941–1942 is mainly the result of less payment than anticipated of compensation to religious institutions in lieu of deductions from revenue collections partly counterbalanced by larger payments to local bodies of fishery rentals.

Reference to pages in the Detailed Annual Estimate of Expenditure.

240. *Law charges.*—Law charges connected with certain Privy Council appeals not contemplated in the budget account for the increase in the revised estimate for 1941–1942. The decrease in the budget estimate for 1942–1943 occurs mainly under law charges.

Grant II—Provincial Excise.

Reference		Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
8–18	8. Provincial Excise—				
	Superintendence	2·63	2·73	2·52	2·49
	District executive establishments	19·34	19·48	19·57	20·00
	Distilleries	·78	·75	·80	·76
	Cost of opium supplied to Provincial Excise Department	4·20	4·36	3·84	4·26
	Compensations	1·08	1·15	1·52	1·38
	Charges in England	·10	·12	·07	·07
	Total ..	**28·13**	**28·59**	**28·32**	**28·96**

Expenditure.

241. *Superintendence.*—Expenditure relating to the headquarters, divisional and circle supervision in the Excise Department is debited to this minor head. The expenditure relating to headquarters supervision includes a proportion of the combined pay of all the Members of the Board of Revenue and all expenditure connected with the establishments employed directly for excise administration in the office of the Board inclusive of the laboratory attached to it. Expenditure relating to divisional and circle supervision represents the expenditure on Deputy and Assistant Commissioners and their staff.

242. *District executive establishments.*—The expenditure on district inspecting and preventive staffs of the Excise Department is debited to this minor head.

243. *Distilleries.*—Expenditure relating to the Government distillery establishments and the staff employed for the supervision of spirituous medicinal preparations manufactured in private laboratories is debited to this minor head. The cost on account of the latter is recovered in full together with leave and pensionary contributions, and credited to the heads VIII. Provincial Excise and XLIV. Receipts in aid of superannuation respectively.

244. *Cost of opium supplied to the Excise Department.*—The cost of opium purchased by the Madras Excise Department from the Ghazipur opium factory is debited to this minor head.

245. *Compensations.*—The items included under this head are (1) compensation paid to the French Government on account of the arrack farm in the Frenchpeta at Masulipatam and rebate of duty on opium and ganja supplied to that Government; (2) compensation paid to the Banganapalle State for the suppression of ganja cultivation and for the administration of the State's opium and excise revenues by the Madras Excise Department; (3) compensation paid to certain Indian States, Coorg, the Civil and Military Station, Bangalore, the Bombay, Bengal and Orissa Governments as the equivalent of the duty collected in this Province on spirituous medicinal preparations, beer and Indian-made foreign spirits exported for consumption in those areas; (4) compensation paid to toddy contractors for losses sustained by them as a result of the introduction of prohibition; and (5) a sum of about Rs. 100 paid every year as toddy compensation to an estate in Chingleput district as a longstanding obligation.

246. *Charges in England.*—Leave allowances and sterling overseas pay of the officers of the Excise Department, a proportion of such items relating to the Members of the Board of Revenue, the annual contribution to the International Bureau against Alcoholism, Lausanne, and the expenditure on stores for the Excise Department incurred in England are debited to this head.

EXPLANATION OF VARIATIONS.

Reference to pages in the Detailed Annual Estimate of Expenditure. 8–18

247. *Superintendence.*—The decrease in the estimates is mainly due to the revised allocation (one-sixth instead of one-fourth) adopted from 1st July 1941 for pay and allowances of the Members of the Board of Revenue in consequence of the abolition of the post of fourth Member.

248. *District executive establishments.*—The increase in the budget estimate, 1942–1943 is due to provision for dearness allowance to low-paid Government servants and menials for the full year.

249. *Cost of opium supplied to Provincial Excise Department.*—The estimates are based on the expected purchase of opium required for issue in the Province and for supply to Indian States, Coorg, etc., and on the prices advised by the Central Government's factory at Ghazipur.

250. *Compensations.*—The increase in the revised estimate for 1941-1942 is due to increase in the amount of compensation payable to the Civil and Military Station, Bangalore, and also to the adjustment of arrears payable on this account to the Cochin State.

Grant III—Stamps.

19–22

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
9. Stamps—				
Non-Judicial—				
Charges for the sale of stamps	2·89	2·89	3·05	3·06
Cost of stamps supplied from Central Stamp Stores	·79	·63	·74	·74
Total, Non-Judicial ..	**3·68**	**3·52**	**3·79**	**3·80**
Judicial—				
Charges for the sale of stamps	·79	·81	·78	·78
Cost of stamps supplied from Central Stamp Stores	·68	·53	·70	·71
Total, Judicial ..	**1·47**	**1·34**	**1·48**	**1·49**
General—				
Superintendence	·25	·22	·23	·23
Charges in England	·01	·01	·01	·01
Total, General ..	**·26**	**·23**	**·24**	**·24**
Grand Total ..	**5·41**	**5·09**	**5·51**	**5·53**

Expenditure.

251. The expenditure connected with the manufacture and sale of stamps is booked separately as a rule for non-judicial and judicial stamps. The undermentioned charges are exceptions :—

(1) The pay and contingent expenditure of salaried vendors are debited under non-judicial stamps, though they sell both kinds of stamps.

(2) The manufacturing charges for stamped copy papers and the discount allowed to vendors for selling them are debited under judicial stamps, though they are neither judicial nor non-judicial stamps.

(3) The general charges incurred for supervision and transport in connexion with both kinds of stamps, inclusive of charges in England, are combined and booked separately.

NON-JUDICIAL.

252. *Charges for the sale of stamps.*—The pay and contingent expenditure of salaried vendors (who are employed only in Madras City) and the discount allowed to non-salaried licensed vendors in Madras City and in the mufassal are debited to this minor head.

253. *Cost of stamps supplied from Central Stamp Stores.*—All stamps are manufactured by the Central Government's Security Printing Press at Nasik and the charges payable to the Press including the cost of paper are debited to this minor head.

Reference to pages in the Detailed Annual Estimate of Expenditure.

JUDICIAL.

254. *Charges for the sale of stamps.*—The discount allowed to non-salaried vendors in Madras City and in the mufassal for the sale of court-fee stamps and stamped copy papers is debited to this minor head.

19–22 255. *Cost of stamps supplied from Central Stamp Stores.*—Vide the corresponding sub-paragraph under the heading " Non-judicial " above.

GENERAL.

256. *Superintendence.*—The expenditure incurred by the Superintendent of Stamps in Madras City, and the freight and other charges incurred by him and by Collectors for the transport and custody of stamps are debited to this minor head. The expenditure in the Superintendent's office represents one-fourth of the pay of the Assistant Superintendent of Stamps and Stationery and of the subordinate and menial staff. The remaining three-fourths is debited to the head " 56. Stationery and Printing," as representing the share of the Stationery department. No portion of the pay of the Superintendent of Stamps and Stationery, who is also the Collector of Madras, is debited to either head.

257. *Charges in England.*—These represent mainly the share of the leave salary or sterling overseas pay, as the case may be, of the permanent Assistant Superintendent of Stamps debitable to " 9. Stamps."

EXPLANATION OF VARIATIONS.

258. *Cost of stamps supplied from Central Stamp Stores—Non-Judicial and Judicial.*—The estimates are based on the probable indents for stamps and on the manufacturing rates advised by the Security Printing Press, Nasik.

Grant IV—Forest.

23–37

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
10. Forest—				
General direction	1·40	1·42	1·48	1·48
Conservancy and works	12·47	12·52	12·04	13·23
Establishments	22·78	22·25	22·02	22·07
Charges in England	·87	1·00	·72	·78
Loss or gain by exchange	..	..	..	..
Total ..	37·52	37·19	36·26	37·56

Expenditure.

259. *General direction.*—The pay and allowances of the Chief Conservator of Forests, his personal assistants and office establishments, the contingent expenditure of his office and the expenditure on the purchase of clothing and equipment for all forest establishments are debited to this minor head.

260. *Conservancy and works.*—The expenditure debited to this minor head is that incurred as working expenses in extracting timber and other produce from the forests and making them suitable for the market, and on regeneration and replacement in exploited areas and the general maintenance of the forests in a state of normal efficiency. Feed and upkeep of elephants and draught cattle, renewals and replacements of carts, stores, tents, tram-trucks (in Sriharikota in Nellore), tools and boats, purchase of furniture and crockery for inspection bungalows and rest-houses, construction, repairs and upkeep of roads, bridges and buildings, demarcation and maintenance of boundaries, compiling working plans, provision of water facilities in grazing grounds and fire protection are some of the items of maintenance. Regeneration includes sowing, weeding and thinning and cultural operations. Rents for forests taken on lease from private owners, compensation payments to the Muttadars of Rampa, rewards to informers in connexion with forest offences, the moiety of compounding fees paid to forest panchayats in respect of offences in panchayat forests reported by them, games licence compensation payments to the Nilgiri Game Association, the contribution to the Survey of India Department for survey and forest map work done for the Government of Madras, and expenditure on the investigation of the spike disease of sandal and on the manufacture of lac polish and sealing wax, etc., are also debited to this minor head.

Reference to pages in the Detailed Annual Estimate of Expenditure.

261. *Establishments.*—The expenditure shown under this minor head is that on account of Conservators of Forests, District Forest Officers, Inspector of Livestock and Veterinary Assistants, the Provincial Sylviculturist, the Forest Engineer, the Utilization Officer and Working Plans Officers and their subordinate staff and contingencies, Chenchu establishments and training schools for subordinates. 23–37

262. *Charges in England.*—Under this minor head are shown the leave salary of officers on leave in England, sterling overseas pay and the cost of stores purchased in England.

263. *Loss or gain by exchange.*—This head is explained in paragraph 609.

EXPLANATION OF VARIATIONS.

264. *Conservancy and works.*—The decrease in the revised estimate is mainly due to the production and supply of sleepers on a smaller scale than originally provided for. The increase in the budget estimate for 1942–1943 is due mainly to larger expenditure under timber removed by Government agency, grant of dearness allowance for a full year and larger expenditure on forest roads.

265. *Establishments.*—The decrease in the revised estimate for 1941–1942 is due chiefly to more officers being deputed for military duty and for work connected with the passing of timber to the War Supply Department.

266. *Charges in England.*—The decrease in the estimates is due to very few officers being on leave in England on account of war conditions.

Grant V—Registration.

	Accounts, 1940-1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.	
11. Registration—					38–42
Superintendence	·64	·71	·70	·58	
District charges	27·97	28·44	28·00	28·36	
Charges in England	·09	·14	·13	..	
Total ..	**28·70**	**29·29**	**28·83**	**28·94**	

Expenditure.

267. *Superintendence.*—The pay and allowances of the Inspector-General of Registration and of his Personal Assistant and the subordinate staff employed in his office solely for work connected with the administration of the Indian Registration Act, 1908, in this Province are debited to this minor head. The expenditure connected with the other duties of the Inspector-General as Registrar of Joint Stock Companies, Administrator of the Indian Partnership Act, and Registrar-General of Births, Deaths and Marriages is debited to the head 47. Miscellaneous Departments—Registrar of Joint Stock Companies (Central), Administration of the Indian Partnership Act (Provincial) and Registration of Births and Deaths (Provincial).

268. *District charges.*—To this head are debited the pay, allowances and contingent expenditure of District Registrars and Sub-Registrars and their establishments, inclusive of the expenditure on the return of documents to parties by post (which is recovered in advance and credited to the head XI. Registration). The district registration staff performs also work connected with the registration of joint stock companies for which a fixed annual contribution of ·15 lakh is paid by the Central Government. A sum of ·12 lakh out of this is adjusted in reduction of expenditure under this minor head and the balance representing leave and pensionary contribution is credited to the head XLIV. Receipts in aid of Superannuation.

269. *Charges in England.*—These are the cost of the plant, stores and chemicals obtained for the photographic and cine-film processes of copying documents presented for registration.

EXPLANATION OF VARIATIONS.

270. *District charges.*—The decrease in the revised estimate for 1941–1942 occurs chiefly under pay of establishments due to savings under leave allowances and the operation of new scales of pay. The budget estimate for 1942–1943 includes normal provision for leave allowances and for accruing increments.

Grant VI—Motor Vehicles Acts.

Reference to pages in the Detailed Annual Estimate of Expenditure.		Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
43–47	12. Charges on account of Motor Vehicles Acts—				
	Charges of collection	·60	·62	·61	·61
	Inspection of motor vehicles ..	·56	·55	·64	·62
	Compensations to local bodies ..	69·27	69·21	68·32	67·73
	Other charges	1·05	1·19	1·33	·98
	Charges in England	·04	·04	·05	·05
	Total ..	**71·52**	**71·61**	**70·95**	**69·99**

Expenditure.

271. The expenditure incurred in administering the Motor Vehicles Act, 1939, and the rules issued thereunder and the Madras Motor Vehicles Taxation Act, 1931, and on the collection of the Madras motor vehicles tax is debited to this major head.

272. *Charges of collection.*—The pay, allowances and contingent expenditure of the staff employed for the accounting work connected with the collection of the Madras motor vehicles tax in the office of the Commissioner of Police, who is the estimating officer, and of the staff employed in Madras City and in the mufassal for issuing and checking licences are debited to this minor head.

273. *Inspection of motor vehicles.*—The pay, allowances and other expenditure of the staff employed for the inspection of motor vehicles under the Motor Vehicles Act and the rules issued thereunder, including the honoraria paid to District Superintendents of Police for doing the work in certain districts for which motor vehicle inspectors have not been appointed, the honoraria paid to clerks in the offices of the Commissioner of Police, Madras, and District Superintendents of Police for furnishing extracts (for which fees are levied) from the register of motor vehicles to trading firms and the expenditure on the purchase of brake efficiency testing meters for supply to inspecting officers are debited to this minor head.

274. *Compensations to local bodies.*—To this minor head are debited the payments of compensation to local bodies under the Madras Motor Vehicles Taxation Act, 1931. The procedure for calculating and disbursing these amounts has been described in paragraph 62.

275. *Other charges.*—The expenditure on account of the Central Road Traffic Board and the Road Traffic Boards in the Madras City and in the mufassal, including the pay and allowances of the staff and contingent and other charges, the travelling allowances paid to the non-official members of the Central Road Traffic Board and the Road Traffic Boards and the erection of traffic signs is debited to this minor head.

276. *Charges in England.*—The sterling overseas pay of the Secretary, Central Road Traffic Board, Madras, is debited to this head.

Explanation of variations.

277. *Compensations to local bodies.*—The decrease in the estimates is consequent on a reduction anticipated in receipts under the Provincial Motor Vehicles Taxation Act owing to the operation of the petrol rationing order.

278. *Other charges.*—The decrease in the budget estimate for 1942–1943 is mainly due to the non-repetition of some items of expenditure such as provision of traffic sign boards, printing of forms, etc., provided for in the current year.

Grant VII—Other Taxes and Duties.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.	Reference to pages in the Detailed Annual Estimate of Expenditure.
13. Other Taxes and Duties—					
Charges on account of the Madras Regulation of the Sale of Cloth Act, 1937.	·05	·03	·04	·04	48–54
Charges under the Electricity Acts ..	·70	·73	·81	·78	
Entertainments Tax	·54	1·33	1·00	·99	
Commercial Taxes	12·16	12·14	12·00	12·22	
Charges in England	·10	·07	·06	·06	
Total ..	13·55	14·30	13·91	14·09	

Expenditure.

279. *Charges on account of the Madras Regulation of the Sale of Cloth Act,* 1937.—The charges incurred in the collection of licence fees under the Act are debited to this minor head.

280. *Charges under the Electricity Acts.*—The charges on account of the Chief Electrical Inspector and his staff and contingencies, and those on account of the statutory inspections carried out by the officers of the Electricity Department on behalf of the Chief Electrical Inspector are debited to this head. The charges incurred on account of the staff employed for the administration of the Madras Electricity Duty Act, 1939, are also debited to this head.

281. *Entertainments Tax.*—The charges incurred in the collection of the Entertainments Tax including the manufacturing cost and freight charges of entertainment tax stamps supplied by the Central Stamp Stores, Nasik, are debited to this head. The compensation payable to local authorities under section 13 of the Madras Entertainments Tax Act, 1939, is shown under 57. Miscellaneous—Contributions—*Vide* Paragraph 635.

282. *Commercial Taxes.*—The charges incurred on account of the Commercial Taxes branch of the Board of Revenue (including one-sixth of the combined pay of all the three members of the Board), the Commercial Tax officers, the Deputy and Assistant Commercial Tax officers and their staff for the administration of the Madras Tobacco (Taxation of Sales and Licensing) Act, 1939, and the Madras General Sales Tax Act, 1939, are debited to this head.

283. *Charges in England.*—The charges if any, incurred in England on account of leave salary, allotment of pay and sterling overseas pay of officers, whose pay is debited to this head and one-sixth of the leave salary and sterling overseas pay of the members of the Board of Revenue and the cost of stores if any purchased for the Chief Electrical Inspector are debited to this head.

EXPLANATION OF VARIATIONS.

284. *Entertainments Tax.*—The decrease in the estimates is due to a fall in the demand for entertainment tax stamps as the system of paying taxes in cash is becoming more popular.

285. *Commercial Taxes.*—The increase in the budget estimate for 1942–1943 as compared with the revised estimate for 1941–1942 is chiefly due to the provision for dearness allowance for the full year and to the increase in the strength of clerks and bill collectors for the year.

Irrigation Expenditure.

286. Irrigation works, including navigation, embankment and drainage works, are classified under two major divisions, namely :— 55–63 and 455–457.

(i) Works for which capital and revenue accounts are kept, subdivided into productive and unproductive works, and

(ii) Works for which neither capital nor revenue accounts are kept.

Reference to pages in the Detailed Annual Estimate of Expenditure.

The first category comprises works for which it is both desirable and possible to maintain accounts on a quasi-commercial basis, and the second comprises works for which the maintenance of such accounts is impossible or unnecessary, either because they produce little or no revenue or because, owing to their restricted size, it is not worthwhile to examine the return from the outlay on each individual work. Ordinarily capital and revenue accounts are kept for each work which costs over ·50 lakh.

55-63 and 455-457.

287. *Works for which capital and revenue accounts are kept.*—' Capital ' bears all charges for the first construction and equipment of a project, charges for maintenance of sections not opened for working, and charges for subsequent additions and improvements. After the construction estimate of a project is closed, expenditure on extensions and improvements is treated as capital outlay only if the estimates exceed ·01 lakh in each case and are for—

(1) works which are themselves directly remunerative (e.g., new distributaries and works for increasing the canal discharge), or

(2) works which are necessary for the full development of the project, though not directly remunerative.

If the cost of renewals and replacements of the existing works of a project really represents an increase in the capital value of the project and exceeds the cost of the original work by Rs. 1,000 the excess over the original cost is debited in the capital account.

Working expenses include—

(1) repair and maintenance charges,

(2) the cost of extensions and improvements which are considered to be neither directly remunerative in themselves nor necessary for the full development of the project, and of other works for which the estimates do not exceed ·01 lakh in each case, and

(3) the cost of renewals and replacements of existing works, except to the extent to which it is debitable in the capital account.

Capital expenditure.

288. Capital expenditure may be incurred on—

(*a*) new productive projects and extensions and improvements of existing projects which are treated as separate works and are productive ;

(*b*) works connected with existing productive systems and treated as parts of the systems ;

(*c*) new unproductive projects ; and

(*d*) works connected with existing unproductive systems.

Productive works are works which are expected to produce after a certain period a net annual return (after deducting all working expenses including maintenance) at least equal to the annual interest at a certain rate (fixed from time to time on the basis of the rate at which the Government expect to be able to borrow over an extended period) on the total capital ' sum-at-charge ' in the capital account of the work. All other works are classed as unproductive.

Capital expenditure on (*a*) may be met from sources other than current revenues, such as accumulated balances and loans, as also that on (*b*), provided an individual work is, by itself productive and its estimated cost is not less than Rs. 10,000. Works connected with the existing productive systems which are not in themselves productive should be financed from current revenues, unless the estimated cost of an individual work exceeds Rs. 5 lakhs when it may be financed from non-revenue sources.

Capital expenditure on (*c*) and (*d*) is ordinarily financed from current revenues subject to the following exceptions :—

(1) If the expenditure is so large that it will be too heavy a charge on current revenues, e.g., expenditure on a work estimated to cost over Rs. 5 lakhs, it may be debited to the Capital Account outside the Revenue Account ; and

(2) if the work is intended to give protection against famine or to prevent famine, it may, irrespective of the amount of the estimated cost, be financed from the Famine Relief Fund, so long as the balance in the fund does not fall below Rs. 40 lakhs.

Grants for Irrigation Expenditure.

Reference to pages in the Detailed Annual Estimate of Expenditure.

289. Expenditure connected with irrigation is included in the following grants :—

Grant VIII—Irrigation.
Grant XXXIII—Capital Outlay on Irrigation.

But these two grants do not show all the expenditure on irrigation. The whole of the actual expenditure on Public Works Department establishments and tools and plant except that on any special establishments for, and on tools, plant and machinery obtained to meet the special requirements of a particular irrigation work is first shown under the major head 50. Civil Works and then distributed *pro rata* at the end of the year between the Irrigation, Civil Works and other heads. Though the portion of this expenditure which relates to the Irrigation Department is thus finally booked in the accounts under the major heads included in Grants VIII and XXXIII, yet for the purpose of the grants all the expenditure on Public Works Department establishment and tools and plant is included in Grant XXV—Civil Works—Establishment and tools and plant, and no part of it is included in Grants VIII and XXXIII—see also paragraph 559. 55-63 and 455-457

Grant VIII—Irrigation.

290. The grant includes the expenditure booked under the major heads shown below :— 55-63

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
XVII. Irrigation, navigation, embankment and drainage works for which capital accounts are kept—Working expenses ..	28·41	26·50	31·86	28·65
17. Irrigation—Interest on works for which capital accounts are kept	88·10	88·26	88·16	88·16
18. Irrigation—Other revenue expenditure financed from ordinary revenues—				
Public Works Department	20·13	20·34	20·83	22·18
Minor Irrigation	10·90	11·54	10·97	11·56
19. Construction of irrigation, navigation, embankment and drainage works ..	·47	·35	·39	·08
Total ..	**148·01**	**146·99**	**152·21**	**150·63**

291. *XVII. Irrigation, navigation, embankment and drainage works for which capital accounts are kept—Working expenses.*—Though working expenses are adjusted in the accounts under a revenue head in reduction of receipts in order to ascertain the net revenue from a project and assess its productivity, they are included in this grant because they involve expenditure from the revenues of the Province. Working expenses include certain expenditure on extensions and improvements, maintenance and repairs, special establishments and special tools and plant.

292. *17. Irrigation—Interest on works for which capital accounts are kept.*—The purpose of this head is explained in paragraph 321.

293. *18. Irrigation—Other revenue expenditure financed from ordinary revenues.*—The expenditure on works including those financed from the Famine Relief Fund for which no capital accounts are kept is recorded under this major head. It is divided into the following two sections :—

Works in charge of the Public Works Department ; and
Minor irrigation works in charge of the Revenue Department.

294. *Works in charge of the Public Works Department.*—Expenditure on original works, extensions and improvements, and maintenance and repairs, and on surveys and investigation of new projects is debited to this section.

295. *Minor irrigation works.*—The expenditure on account of minor irrigation supervisors, overseers and other establishments under the control of Collectors and on ordinary maintenance and repairs of minor irrigation works is debited to this section.

296. *19. Construction of irrigation, navigation, embankment and drainage works.*—Capital outlay on works for which capital and revenue accounts are kept, if met from current revenues or from the Famine Relief Fund, is debited to this major head.

297. The figures by minor heads under the several major heads included in this grant are explained in the succeeding paragraphs.

Reference to pages in the Detailed Annual Estimate of Expenditure.

XVII. Irrigation, Navigation, Embankment and Drainage Works for which Capital Accounts are kept—Working expenses.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
56–57 Irrigation works—Productive works—				
Extensions and improvements	3·15	1·59	1·83	1·96
Maintenance and repairs	20·02	19·12	20·63	18·90
Establishment	·01	·01	·01	·01
Total—Irrigation works—Productive works.	**23·18**	**20·72**	**22·47**	**20·87**
Irrigation works—Unproductive works—				
Extensions and improvements	— ·03	·01	— ·01	·13
Maintenance and repairs	2·07	2·03	2·71	2·45
Total—Irrigation works—Unproductive works.	**2·04**	**2·04**	**2·70**	**2·58**
Navigation, embankment and drainage works —Unproductive works.				
Extensions and improvements	·27	·10	2·97	·49
Maintenance and repairs	1·98	1·86	2·76	1·91
Total—Navigation, embankment and drainage works—Unproductive works.	**2·25**	**1·96**	**5·73**	**2·40**
Pension charges	·94	·88	·96	·88
Provision for flood repairs	..	·90	..	1·92
Grand Total ..	**28·41**	**26·50**	**31·86**	**28·65**

Explanation of variations.

Irrigation Works—Productive Works.

298. *Extensions and improvements.*—The increase in the revised estimate for 1941–1942 is due mainly to the inclusion of provision for a new work, viz., construction of divide and silt walls and forming a silt trap in front of the South Bank Canal leading channel of the Kattalai scheme and to larger expenditure on some works in progress. The budget estimate for 1942–1943 provides for works which will be in progress in 1941–1942.

299. *Maintenance and repairs.*—The increase in the revised estimate for 1941–1942 is the net effect of variations under the several irrigation systems and it is mostly due to the inclusion under this head of the expenditure on flood repair works for which provision was made in the budget under a separate minor head. The increase is partly counter-balanced by the transfer of provision for two systems (Chicacole minor rivers, and Toludur Project) to the unproductive class. The budget estimate for 1942–1943 provides for normal maintenance charges. Provision for flood repairs has been made under a separate minor head.

Irrigation Works—Unproductive works.

300. *Maintenance and repairs.*—The increase in the revised estimate for 1941–1942 is due partly to expenditure on flood repair works relating to certain irrigation systems and partly to the transfer from the productive to the unproductive class of the provision made for two irrigation systems (Chicacole minor rivers and Toludur Project). The budget estimate for 1942–1943 provides for normal maintenance charges.

Navigation, Embankment and Drainage Works—Unproductive Works.

301. *Extensions and improvements.*—The increase in the revised estimate for 1941–1942 is due to a large expenditure on improvements to the Buckingham canal not contemplated in the budget. The budget estimate for 1942–1943 includes provision for constructing a lock on the Buckingham canal near the Pulicat lake.

302. *Maintenance and repairs.*—The inclusion of a special provision for clearing silt in the Buckingham canal accounts for the increase in the revised estimate for 1941–1942. The budget estimate for 1942–1943 provides for normal maintenance and repair charges.

303. *Provision for flood repairs.*—The provision in the budget estimate for 1941–1942 has been utilized on works included under other minor heads and consequently the revised estimate for 1941–1942 is nil. The budget estimate for 1942–1943 provides for expenditure on repairs to irrigation works damaged by cyclone in the South Arcot district and for possible contingencies.

17. Irrigation—Interest on Works for which Capital Accounts are kept.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.	Reference to pages in the Detailed Annual Estimate of Expenditure.
17. Irrigation works—					
Productive	67·13	67·27	67·16	67·15	58
Unproductive	17·04	17·06	17·06	17·07	
Navigation, Embankment and Drainage works—					
Unproductive	3·93	3·93	3·94	3·94	
Total ..	**88·10**	**88·26**	**88·16**	**88·16**	

304. The estimates are the result of applying the rates of interest adopted to the cumulative capital outlay up to each of the years mentioned—vide paragraph 326.

18. Irrigation—Other Revenue Expenditure financed from Ordinary Revenues.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.	
Irrigation Works—					59–61
Public Works Department—					
Works	·11	·61	·58	·41	
Extensions and improvements	1·01	1·16	1·15	1·07	
Maintenance and repairs	13·48	12·35	13·42	12·32	
Establishments	·67	·45	·86	·19	
Tools and plant	·30	— ·15	— ·14	..	
Other charges	·51	·34	·48	·21	
Grants-in-aid	·08	·08	·08	·08	
Total—Public Works Department ..	**16·16**	**14·84**	**16·43**	**14·28**	
Minor Irrigation—					
Works	·19	·19	·19	·20	
Maintenance and repairs	8·23	8·87	8·32	8·85	
Establishment	2·47	2·47	2·44	2·50	
Grants-in-aid	·01	·01	·02	·01	
Total—Minor Irrigation ..	**10·90**	**11·54**	**10·97**	**11·56**	
Total—Irrigation Works ..	**27·06**	**26·38**	**27·40**	**25·84**	
Navigation, Embankment and Drainage works—					
Public Works Department—					
Works	..	·05	·01	·09	
Extensions and improvements	·35	·52	·51	1·53	
Maintenance and repairs	3·57	4·37	3·85	4·71	
Miscellaneous expenditure	..	..	..	..	
Other charges	·05	·01	·03	·02	
Total—Navigation, etc., works ..	**3·97**	**4·95**	**4·40**	**6·35**	
Lump deduction for probable savings ..	..	— ·01	..	— ·01	
Provision for flood repairs	..	·56	..	1·56	
Grand Total ..	**31·03**	**31·88**	**31·80**	**33·74**	

Reference to pages in the Detailed Annual Estimate of Expenditure.

EXPLANATION OF VARIATIONS.

Irrigation works—Public Works Department.

59-61 305. *Maintenance and repairs.*—The increase in the revised estimate for 1941–1942 is mainly due to expenditure on flood repair works for which provision was made in the budget estimate under a separate head "provision for flood repairs" now being included under this head. The decrease in the budget estimate for 1942–1943 is due mainly to provision for flood repairs having been made separately.

306. *Establishments.*—The increase in the revised estimate for 1941–1942 is due to the continuance throughout the year instead of to the middle of the year as contemplated in the budget, of the temporary sub-division for the investigation of the Tungabhadra project. The budget estimate for 1942–1943 provides for the continuance of the agricultural experiments at Siruguppa.

307. *Other charges.*—The decrease in the budget estimate for 1942–1943 as compared with the revised estimate for 1941–1942 is due mainly to the absence of any provision for the investigation of the Tungabhadra project.

Minor Irrigation.

308. *Maintenance and repairs.*—The revised estimate for 1941–1942 anticipates less expenditure on maintenance charges and on flood repair works than was contemplated in the budget. The budget estimate for 1942–1943 provides for normal requirements.

Navigation, Embankment and Drainage works—Public Works Department.

309. *Extensions and improvements.*—The budget estimate for 1942–1943 includes provision for two new works, viz., improvements to a section of the West Coast canal and metalling a portion of the road over the right flood bank of the Coleroon river.

310. *Maintenance and repairs.*—Slow progress on repairs to the West Coast canals and the write back to the head XVII b. Maintenance and Repairs of past expenditure on the maintenance of the regulator and lascars' sheds at Velanganni, Tanjore district, account mainly for the decrease in the revised estimate for 1941–1942. The budget estimate for 1942–1943 provides for increased expenditure on repairs to the West Coast canals and on certain works in the Vizagapatam and Godavari Northern divisions.

311. *Provision for flood repairs.*—See paragraph 303.

62-63

19. Construction of Irrigation, Navigation, Embankment and Drainage works.

	Accounts, 1940-1941.	Budget Estimate, 1941-1942.	Revised Estimate, 1941-1942.	Budget Estimate, 1942-1943.
Financed from Ordinary Revenues—				
Irrigation works—				
Productive works	·04	·01	·02	·01
Unproductive works	·41	·16	·16	·07
Navigation works—				
Unproductive	·01	·17	·20	..
Pension charges	·01	·01	·01	..
Lump addition for regrant of lapses ..	..	·01	..	..
Lump deduction for probable savings ..	..	—·01	..	..
Total ..	**·47**	**·35**	**·39**	**·08**

The variations under the several minor heads are small.

22. Interest on debt and other obligations.

Reference to pages in the Detailed Annual Estimate of Expenditure.

65–68

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
Interest on ordinary debt—				
Interest on permanent loans	14·61	15·63	15·72	15·70
Discount on loans	3·47	..	..	..
Floating loans	·87	2·50	·36	·72
Other items (including expenditure connected with the issue of a new loan).	·54	·16	·12	·14
Interest on loans taken from the Central Government.	33·16	32·88	32·88	32·59
Total ..	52·65	51·17	49·08	49·15
Interest on unfunded debt—				
Special loans	·13	·14	·17	·16
State provident funds	15·78	16·28	16·33	16·87
Total ..	15·91	16·42	16·50	17·03
Interest on other obligations	·31	·15	·15	·16
Gross Total ..	68·87	67·74	65·73	66·34
Deduct—				
Interest transferred to commercial departments.	— 1,14·05	— 1,18·61	— 1,18·08	— 1,21·37
Interest portion of equated payments on account of commuted value of pensions.	— ·07	..	..	..
Net Total ..	— 45·25	— 50·87	— 52·35	— 55·03

Interest on ordinary debt.

312. The term ordinary debt covers all loans taken from the Central Government or raised in the open market, and includes temporary ways and means advances made by the Reserve Bank of India.

313. *Interest on permanent loans.*—The term permanent loans applies here to loans with a currency of more than twelve months from the date of issue other than loans from the Central Government.

314. *Discount on loans.*—When the issue price of a loan is fixed at less than the nominal par value, the difference between the par value and the issue price is termed discount. It is debited to this head either in full in the year in which the loan is raised or in instalments over a period not exceeding the currency of the loan.

315. *Floating loans.*—These are temporary loans with a currency of not more than twelve months. They include loans raised by selling treasury bills in the market and also ways and means advances from the Reserve Bank of India. The discount (which is really interest on the amount borrowed) on treasury bills actually maturing in a financial year, the discount which has accrued up to the end of a financial year on the bills maturing in the subsequent year and the interest on ways and means advances repaid during a financial year are debited to this head.

316. *Other items.*—To this minor head is debited the remuneration paid to the Reserve Bank of India for the management of the Government's public debt and also all expenses connected with the issue of new loans inclusive of commission, brokerage, advertisement charges, etc., and other expenditure connected with the issue of treasury bills and miscellaneous items.

Reference to pages in the Detailed Annual Estimate of Expenditure.

65–68

317. *Interest on loans taken from the Central Government.*—The loans due to the Central Government as on the 31st March 1937 have been consolidated into a single loan repayable in 45 years from the year 1937–1938 with interest at 4·50 per cent. The annual equated payment in respect of both interest and principal is 39·29 lakhs payable in half-yearly instalments on the 15th September and the 15th March. The portion representing interest is debited to this minor head. A full year's interest became payable each year from 1938–1939, the amount decreasing in each successive year from 1939–1940, as a result of the gradual repayment of the principal. The portion representing repayment of principal (which is debited to the head 23. Appropriation for reduction or avoidance of debt) therefore increases in successive years to the same extent.

Interest on unfunded debt.

318. Unfunded debt includes certain ancient and irredeemable interest-bearing obligations which are treated as special loans and also the provident fund deposits of servants of the Madras Government.

319. *State provident funds.*—The liability on account of State provident fund deposits devolved on the Madras Government as from the 1st April 1937 in respect of their servants. The rate of interest allowed on the deposits in a particular year is ordinarily the average borrowing rate during the five preceding financial years, provided that, if the rate of interest thus determined for a year is less than 4 per cent, all existing subscribers to the General Provident Fund in the year preceding that for which the rate has, for the first time, been fixed at less than 4 per cent, shall be allowed interest at 4 per cent.

320. *Interest on other obligations.*—Under this head is debited interest paid in pursuance of court decrees and also interest on the depreciation reserves deposited with the Government in respect of the Cinchona Plantations, the Kerala Soap Institute and the Industrial Engineering Workshops, the accounts of which are maintained on commercial principles. The interest on depreciation reserve deposits is credited to the appropriate heads under XXXII. Industries. The rate of interest allowed is the same as that charged to the concerns on the capital invested in them under the arrangement described in the next paragraph.

321. *Deduct—Interest transferred to commercial departments.*—The Irrigation and Electricity Systems for which capital and revenue accounts are kept are treated as quasi-commercial concerns, whilst certain other undertakings (including those just mentioned above), are treated as commercial undertakings and regular profit and loss statements are prepared for them every year.

The capital outlay on these objects may have been met from loans (the interest on which is debited to the minor head Interest on ordinary debt) or from current revenues or balances or net receipts under deposits and advances. As a preliminary to ascertaining the profit or loss on each of these undertakings, the departmental head concerned (namely, 17. Irrigation—Interest on works for which Capital accounts are kept, 43. Industries or 52. Interest on capital outlay on electricity schemes) is debited with interest on the total capital outlay irrespective of the source from which it was actually provided. The amount debited as interest to these heads is shown as a deduction under the present head 22. Interest on debt and other obligations. This is only a book adjustment as between different heads of account and does not affect the expenditure as a whole.

The interest to be debited to commercial departments is calculated in respect of capital outlay incurred in each year at a rate to be fixed by the Government for that year with reference to the borrowing conditions of the year and the desirability of avoiding minor variations in the rate from year to year.

It would not be reasonable to charge in a year a full year's interest on the outlay spread over the several months of that year. Interest is therefore calculated on the cumulative capital outlay at the beginning of the year and on half the capital outlay during that year, that is to say, on the average of the cumulative capital outlay as at the commencement and at the close of the year.

322. *Deduct—Interest portion of equated payments on account of commuted value of pensions.*—This is explained in paragraph 679.

Reference to pages in the Detailed Annual Estimate of Expenditure.

65–68

EXPLANATION OF VARIATIONS.

323. *Floating loans.*—The decrease in the amount of interest payable on ways and means advances and treasury bills in the current year as compared with that anticipated in the budget is due to the favourable rate of discount on treasury bills issued and also to the smaller amount of treasury bills issued and ways and means advances taken from the Reserve Bank owing to an improvement in the opening balance of the current year. The budget estimate for 1942–1943 is based on the forecast of the temporary borrowings required in that year and on the average rate of interest paid on temporary borrowings in the past four years.

324. *Interest on loans taken from the Central Government.*—The annual equated payment on the consolidated loan is 39·29 lakhs. Of this, the interest payment on the outstanding balance is shown under this head. See also paragraph 317.

325. *Interest on unfunded debt—State provident funds.*—According to the procedure explained in paragraph 319 above, the rate of interest has been fixed at $3\frac{1}{4}$ per cent per annum for 1941–1942 and $3\frac{1}{2}$ per cent per annum for 1942–1943 except in respect of those deposits in the General Provident Fund on which the Government have to pay 4 per cent per annum. The increase in the budget estimate for 1942-1943 as compared with the revised estimate for the current year is due to the progressive increase in the balances to the credit of the funds and to the higher rate of interest fixed for that year.

326. *Deduct—Interest transferred to Commercial departments.*—The figures for cumulative capital outlay and the rates of interest adopted for calculating this interest are shown below :—

Capital outlay.

Particulars.	To end of 1940–1941.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.	Total to end of 1942–1943.
(1)	(2)	(3)	(4)	(5)
Irrigation, etc., Works—				
Irrigation Works—				
Productive	14,94·18	— 1·74	1·86	14,94·30
Unproductive	3,79·08	·21	·08	3,79·37
Navigation works	87·28	·26	..	87·54
Total, Irrigation, etc., Works ..	**19,60·54**	**— 1·27**	**1·94**	**19,61·21**
Industries—				
Cinchona	29·18	·96	1·49	31·63
Kerala Soap Institute ..	2·80	— ·08	— ·24	2·48
Industrial Engineering workshops ..	1·36	— ·04	— ·07	1·25
Total, Industries	**33·34**	**·84**	**1·18**	**35·36**
Electricity Systems	6,04·72	1,03·68	45·73	7,54·13
Grand Total	**25,98·60**	**1,03·25**	**48·85**	**27,50·70**

Rate of Interest.

Period during which the capital outlay was incurred.	Rate of interest charged in the accounts.
(1)	(2)
	PER CENT.
Capital outlay incurred before 1st April 1937	4·50
Do. do. 1937–1938	4·35
Do. do. 1938–1939 .. .. }	4·25
Do. do. 1939–1940 .. .. }	
Do. do. 1940–1941 .. .. }	4·75
Do. do. 1941–1942 (Revised Estimate) .. .. }	
Do. do. 1942–1943 (Budget Estimate) .. .. }	

23. Appropriation for reduction or avoidance of debt.

Reference to pages in the Detailed Annual Estimate of Expenditure.	Particulars.	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
68	Sinking Funds (Provincial Loans) ..	14·43	17·68	46·07	27·43
	Other Appropriations—				
	Repayment of loans taken from the Central Government.	6·13	6·41	6·41	6·70
	Total ..	**20·56**	**24·09**	**52·48**	**34·13**

327. *Sinking Funds.*—Amounts set apart each year for the sinking funds in respect of loans raised in the open market and repayable after a prescribed period are debited to this head and credited to the deposit head Appropriation for reduction or avoidance of debt—Sinking funds. The deposit head is credited direct with the profits realized from the investment of the balances in the sinking funds and debited with charges for the redemption of debt either by the purchase of securities for cancellation or by direct discharge.

328. *Other Appropriations.*—This head is intended for the record of appropriations from revenues for reduction or avoidance of debt other than specific appropriations for regularly constituted sinking funds.

329. *Repayment of loans taken from the Central Government.*—The debits to this head represent that portion of the annual equated payment to the Central Government which is treated as repayment of the principal of the consolidated loan and also any special repayment of principal that may be made to the Central Government.

Explanation of variations.

330. *Sinking Funds (Provincial Loans).*—The estimates provide for the following :—

Particulars.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
(1) Contributions to the Depreciation Funds of the Madras Government Loans.	8·02	8·02	8·02
(2) Contribution to the General Sinking Fund in respect of the loans raised by the Madras Government in the open market.	9·66	38·05	19·41
Total ..	**17·68**	**46·07**	**27·43**

In accordance with the notifications inviting applications for the three open-market loans raised by the Madras Government in 1937, 1938, 1939 and 1940, the following provision for the amortization of each loan is made annually beginning with the financial year after that in which each of the loans was raised :—

(1) *Contribution to the Depreciation Fund.*—A sum equal to 1½ per cent of the total nominal value of the loan is set apart annually for the purchase of securities of the loan for cancellation.

(2) *General Sinking Fund.*—In addition to the annual contributions to the respective Depreciation Funds, an annual contribution is also made to a General Sinking Fund for the amortization of the loans raised by the Government in the open market.

Having regard to the fact that the net earning power of the assets created by the greater portion of the loan funds is expected to exceed the interest on the debt and that Depreciation Reserve and Special Reserve Funds have been established for the Electricity Systems created out of the loan funds, a contribution to the General Sinking Fund which would not be sufficient to repay the outstanding portion of the loans in full on maturity was considered adequate and has hitherto been made. Owing to the favourable revenue position in the current year, the Government decided that the contribution to the General Sinking Fund be made, as a temporary measure on a higher scale, according to which the accumulations in the General Sinking Fund (allowing for betterment) would be sufficient, if continued on that scale, to repay the undischarged balance of the loans in full on maturity, and that the excess contribution payable on this revised basis for all the loans from the years in which contribution was first made up to and including 1941–1942 be made in the current year. Accordingly a contribution of Rs. 38·05 lakhs is made to the General Sinking Fund in the current year. This accounts for the large increase in the revised estimate. The budget estimate for 1942–1943 provides for the contribution due for the year also on the revised basis.

25. General Administration.

Reference to pages in the Detailed Annual Estimate of Expenditure.

69–130

331. Charges which cannot suitably be accounted for under any other major head of expenditure are debited to the major head 25. General Administration. In view of the volume and heterogenous character of this expenditure, it has been distributed for convenience over three grants as follows :—

Grant IX. Heads of Provinces, Ministers and Headquarters staff.

Grant X. Legislative Bodies.

Grant XI. District Administration and Miscellaneous.

Grant IX—Heads of Provinces, Ministers and Headquarters Staff.

69–103

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
25. General Administration—				
Heads of Provinces and Ministers—				
Salary of the Governor	1·17	1·20	1·20	1·20
Sumptuary allowance	·18	·18	·18	·18
Secretarial staff of the Governor	·61	·60	·76	·76
Staff and household of the Governor ..	4·16	4·16	4·15	4·01
Expenditure from contract allowance ..	·92	·90	·92	·90
Tour expenses	1·62	1·31	1·59	1·31
Discretionary grants by His Excellency the Governor	·25	·25	·25	·25
Ministers	..	..	..	..
Advisers	1·81	1·86	2·33	2·34
Secretariat and Headquarters establishments—				
Civil Secretariats	16·01	15·97	16·51	17·10
Public Service Commission	1·68	1·52	1·76	1·83
Board of Revenue, Financial Commissioner and establishments	1·84	3·42	3·38	3·36
Local Fund Audit establishments ..	3·68	3·84	3·77	3·99
Agent for Government Consignments ..	·10	·10	·11	·11
Miscellaneous—Deduct—Contributions recoverable from other Governments, Departments, etc.	— ·57	— ·59	— ·64	— ·61
Charges in England	1·24	1·55	1·37	1·37
Total ..	34·70	36·27	37·64	38·10

Expenditure.

332. The Third Schedule to the Government of India Act, 1935, and the Government of India (Governors' Allowances and Privileges) Order, 1936, issued thereunder, regulate the salary and allowances of His Excellency the Governor, and the funds (except in respect of discretionary grants) to be provided to enable him to discharge the duties of his office.

333. *Salary of the Governor.*—The annual salary fixed in the Third Schedule to the Act for the Governor of Madras is Rs. 1,20,000.

334. *Sumptuary allowance.*—This is an allowance granted to the Governor for expenditure on social functions, such as balls, dinners and luncheons, and the entertainment of distinguished visitors at Government House. Provision is made in the budget for such amount, subject to the yearly maximum of Rs. 18,000 fixed under the Government of India (Governors' Allowances and Privileges) Order, 1936, as the Governor may consider necessary for any year. The provision for any year cannot be increased by the amount, if any, not expended in previous years. The expenditure from the allowance is not subject to audit.

335. *Secretarial staff of the Governor.*—The expenditure on pay and allowances and other facilities provided for the Secretarial staff including the Private Secretary and the Assistant Private Secretary to His Excellency the Governor, as determined by the Governor under section 305 of the Government of India Act, 1935, is debited to this minor head.

Reference to pages in the Detailed Annual Estimate of Expenditure. 69–83

336. *Staff and household of the Governor.*—The items of expenditure which are debited to this minor head and the maximum yearly amount fixed for each in the Government of India (Governors' Allowances and Privileges) Order, 1936, are as follows :—

	Maximum yearly amount.
	RS.
(*a*) Military Secretary and his establishment	1,19,300
(*b*) Band	43,000
(*c*) Bodyguard	1,24,000
(*d*) Surgeon and his establishment	36,000
(*e*) Maintenance and repairs of furnishings of official residences ..	21,500
(*f*) Maintenance of gardens in Government Houses including garden establishments.	49,000
Total ..	**3,92,800**

The maximum yearly amount under item (*a*) or item (*c*) may in any year be increased by such amount as is necessary to defray the leave allowances of any officer, for whose pay provision is made under it, the cost of providing for any of those officers such free passages, if any, to or from India as may from time to time be authorized by the Secretary of State, and any pension charges payable in respect of any of those officers.

The maximum amount under item (*d*) may in any year be increased by such amount as the Governor may consider necessary to defray any leave allowances and pension charges payable in respect of the Surgeon and any member of his establishment.

The maximum amount under item (*e*) may in any year be increased by the amount not expended in previous years and by such further amount not exceeding 25 per cent of the maximum as the Secretary of State for India may by special direction authorize.

The amount under item (*f*) is part of the limit fixed jointly for the undermentioned expenditure in respect of official residences of the Governor :—

	RS.
(1) Improvements to official residences	50,000
(2) Maintenance of gardens	49,000
(3) Electricity	55,000
(4) Water	18,000
(5) Taxes	65,000
(6) Repairs	1,03,000
Total ..	**3,40,000**

Item (2) is provided under the present head and the others under 50. Civil Works—see paragraphs 548 and 552. It is permissible for the Governor to reappropriate between these items without exceeding the limit of Rs. 3,40,000 in any financial year.

337. *Expenditure from contract allowance.*—This allowance is intended to cover miscellaneous expenses, e.g., those incurred for stable establishments and contingencies, the liveries, wages, allowances, pensions, etc., of household servants and the maintenance of motor cars supplied to the Governor at the cost of the State, and the special expenditure which the Governor may have to incur when the Viceroy visits the Province. The allowance is subject to a maximum yearly amount of Rs. 92,000 which is made up of Rs. 90,000 for normal expenditure and Rs. 2,000 the average extra expenditure per year on account of Viceregal visits. The maximum allowance for any year may be increased by the amount of any portion of the maximum contract allowances not expended in previous years. This expenditure is not subject to audit.

338. *Tour expenses.*—The items included under this minor head comprise charges for special trains and the haulage of saloon carriages when a special train is not used, reserved accommodation for the members of the Governor's family and payments and presents for services rendered on tour, miscellaneous charges for the carriage of camp equipment, purchase and upkeep of motor cars and lorries for use on tours and charges for the maintenance of saloons payable to the Railways.

The maximum yearly expenditure on items other than the maintenance of saloons is fixed at Rs. 1,13,000 under the Government of India (Governors' Allowances and Privileges) Order, 1936. The maximum amount may in any year be increased by such further amounts not exceeding twenty-five per cent of the maximum as the Secretary of State may by special direction authorize. In addition, the Secretary of State for India may, by general or special order, authorize further amounts for the maintenance, improvement, renewal or replacement of the Governor's official railway saloons. The expenditure so authorized is Rs. 15,000 in 1937–1938 and Rs. 20,000 from 1938–1939 to 1942–1943. The expenditure under this minor head is subject to audit.

Reference to pages in the Detailed Annual Estimate of Expenditure.

83–103

339. *Discretionary grants by His Excellency the Governor.*—A lump sum is placed every year at the disposal of His Excellency the Governor for making petty grants and charitable donations to hospitals and other local institutions of a public or quasi-public character, which deserve assistance from public funds. The expenditure is subject to audit.

340. *Ministers.*—The expenditure on the pay and allowances of Ministers and their Parliamentary Secretaries, the subordinate and menial staff attached to the Ministers and telephone and other contingent charges is debited to this minor head.

341. *Advisers.*—The expenditure on the pay and allowances of Advisers to His Excellency the Governor appointed under the present form of administration under section 93 of the Government of India Act, 1935, and the subordinate and menial staff attached to them and telephone and other contingent charges, is debited to this minor head.

342. *Civil Secretariats.*—The expenditure connected with the departments of the Secretariat, the saluting battery at Ootacamund, the Madras Record Office, the Translators to Government, and the Inspector and Deputy Inspectors of Municipal Councils and Local Boards, including expenditure on elections to local bodies conducted by the Inspector and his subordinates, is debited to this minor head.

343. *Public Service Commission.*—The expenditure on account of the Madras Public Service Commission including that relating to the examinations conducted by the Commission is debited to this minor head.

344. *Board of Revenue, Financial Commissioner and Establishments.*—To this minor head is debited all expenditure on the Board of Revenue except the portions debited to the major heads 8. Provincial Excise—Superintendence—Excise Commissioner and 13. Other Taxes and Duties—Commercial Taxes.

345. *Local Fund Audit Establishments.*—The charges on account of the Examiner of Local Fund Accounts and his establishments in Madras City and in the districts are debited to this minor head.

346. *Agent for Government Consignments.*—The contribution paid from Provincial revenues to the Minor Ports Fund towards the pay of the Agent for Government Consignments and the cost of staff employed for handling consignments of stores relating to all departments of the Government imported in or exported from the Port of Madras and the expenditure on contingencies are debited to this minor head.

347. *Miscellaneous—Deduct—Contributions recoverable from other Governments, Departments, etc.*—Payments made by the Central Government to the Provincial Government for the administration of agency subjects and for other work done on their behalf in the Secretariat are taken in reduction of expenditure by credit to this head.

348. *Charges in England.*—Under this minor head is debited the expenditure on the leave salaries and sterling overseas pay of the officers whose pay is debitable to the foregoing minor heads, stores purchased in England, law charges connected with Privy Council cases, if any, and the contribution payable by the Madras Government towards the cost of the High Commissioner for India and his establishment.

Explanation of variations.

349. *Tour expenses.*—The increase in the revised estimate for 1941–1942 is due to the extensive tours performed by His Excellency the Governor. The increase in expenditure over the maximum permissible limit was sanctioned by the Secretary of State. The budget estimate provides for the maximum permissible expenditure.

350. *Advisers.*—The increase in the estimates is due to the appointment of a fourth Adviser to His Excellency the Governor.

Reference to pages in the Detailed Annual Estimate of Expenditure.

83-103 351. *Civil Secretariats.*—The increase in the revised estimate for 1941-1942 is due chiefly to the appointment of an Additional Secretary and Director of War Publicity and an Additional Assistant Secretary with the necessary staff for work connected with War including A.R.P. work, and to the appointment of a Deputy Secretary in the Development Department. The further increase in the budget estimate for 1942-1943 is due mainly to the provision made for elections to non-union panchayats.

352. *Public Service Commission.*—The increase in the revised estimate is mainly due to the amendment to the Service Commission Regulations permitting the Chairman and Members of the Commission to draw full rates of pay in addition to pension.

353. *Local Fund Audit establishments.*—The increase in the budget estimate for 1942-1943 is mainly due to the additional staff sanctioned to cope with the increase of work in the department.

354. *Charges in England.*—The decrease in the revised estimate is chiefly due to the lapse of the provision made for leave salaries and deputation pay as no officer was on leave out of India.

Grant X—Legislative Bodies.

Reference		Accounts, 1940-1941.	Budget Estimate, 1941-1942.	Revised Estimate, 1941-1942.	Budget Estimate, 1942-1943.
104-108	25. General Administration—				
	Legislative Bodies—				
	Provincial Legislative Assembly ..	·59	·06	·04	·04
	Legislative Assembly Department ..	·88	·92	·67	·60
	Provincial Legislative Council ..	·14	·01	·01	·01
	Elections for Legislatures	·01	5·65	1·67	·74
	Deduct—Contributions recoverable from other Governments, Departments, etc.	— ·01	— ·33	— ·27	— ·01
	Charges in England	..	..	..	..
	Total ..	**1·61**	**6·31**	**2·12**	**1·38**

[*Expenditure.*

355. *Provincial Legislative Assembly.*—The pay and allowances of the Speaker, Deputy Speaker and Members and the contingent expenditure of the Assembly including the purchase of books for the library, and expenditure by the House Committee are debited to this minor head.

356. *Legislative Assembly Department.*—The office establishment of the Provincial Legislature is a combined one for both Chambers at present. The expenditure on the combined establishment is debited to this minor head.

357. *Provincial Legislative Council.*—The pay and allowances of the President, Deputy President and Members, and the contingent expenditure of the Council and the House Committee are debited to this minor head.

358. *Elections for Legislatures.*—Expenditure on the elections for the Indian and Provincial Legislatures and on election courts appointed for the trial of election petitions is debited to this minor head.

359. *Deduct—Contributions recoverable from other Governments, Departments, etc.*—Payments made by the Central Government to the Provincial Government on account of elections for the Indian legislatures are taken in reduction of expenditure by credit to this head.

360. *Charges in England.*—Under this head is included the expenditure on the supply of publications to the Legislative Assembly and Council arranged by the High Commissioner for India. Leave and deputation pay of officers, if any, are also included under this head.

Reference to pages in the Detailed Annual Estimate of Expenditure.

EXPLANATION OF VARIATIONS.

361. *Provincial Legislative Assembly and Provincial Legislative Council.*—The small provision under these heads is for the purchase of books and periodicals and for payment of certain contingent charges which cannot be stopped.

362. *Legislative Assembly Department.*—The decrease in the estimates is due to keeping in abeyance of the posts of Secretary and Deputy Secretary and to the transfer of some of the staff sanctioned for the Assembly department to other departments and offices. 104–108

363. *Elections for Legislatures.*—The large decrease in the revised estimate for 1941–1942 is due to the lapse of the provision made for a general election to the Madras Legislative Assembly and to the Central Legislative Assembly. The Budget Estimate for 1942–1943 provides only for the triennial election to the Madras Legislative Council and for the preparation of the list of amendments to the electoral rolls of the Provincial Legislatures.

364. *Deduct—Contributions recoverable from other Governments, Departments, etc.*—The decrease in the budget estimate for 1942–1943 is due to there being no recovery from the Central Government for work connected with the revision of electoral rolls as in the current year.

Grant XI—District Administration and Miscellaneous.

109–130

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
25. General Administration—				
District Administration—				
General establishments	27·35	26·92	28·06	28·43
Subdivisional establishments	21·20	21·25	20·53	21·08
Other establishments	178·43	178·29	178·69	179·29
Miscellaneous—				
Discretionary grants by Collectors	·24	·36	·36	·36
Miscellaneous	1·21	1·45	2·80	2·57
Expenditure from rural reconstruction grants.	3·19	5·00	6·00	4·95
Deduct—Contributions recoverable from other Governments, Departments, etc.	— ·12	— ·27	— ·27	— ·13
Charges in England	1·48	3·23	·69	1·21
Loss or gain by exchange	..	..	..	..
Total ..	**232·98**	**236·23**	**236·86**	**237·76**

Expenditure.

365. The general principle adopted in determining what charges should be debited to District Administration is that any amount definitely spent on work connected only with a single major head should be debited to that major head, whilst amounts spent on work connected with more than one major head should be debited to the present head 25. General Administration—District Administration.

366. *General establishments.*—The expenditure debited to this minor head is that on the Collectors of districts and their establishments including law charges in connexion with suits to which the Government are a party, the establishments connected with district treasuries and sub-treasuries, the Court of Wards establishments in Collectorates, the establishments in the Laccadives and Amindivi Islands, the purchase of rice for supply to the islanders in return for the coir taken over from them and the biennial inspection of the islands.

Reference to pages in the Detailed Annual Estimate of Expenditure.

367. *Subdivisional establishments.*—This head shows the charges on account of Additional District Magistrates and Personal Assistants to Collectors, Sub-Collectors, Assistant Collectors and Deputy Collectors and their establishments, and the staff and contingent expenditure of the Debt Conciliation Boards in the districts.

109–128

368. *Other establishments.*—The expenditure relating to taluk establishments, namely, Tahsildars and Deputy Tahsildars and Sub-Magistrates and their establishments, village establishments in ryotwari and proprietary villages, the construction of village chavadis and other works, cattle-pounds (other than in Madras City) including the commission paid to pound-keepers, revenue process-servers and amins, and establishments for stamping weights and measures is shown under this head.

369. *Discretionary grants by Collectors.*—These grants are given, at their discretion, by Collectors for general purposes of a public nature calculated to be of benefit to their districts, e.g., the construction and improvement of public baths and bathing places, culverts and bridges on village cart-tracks, wells or other sources of drinking water for the poorer classes, the provision and maintenance of playgrounds for village elementary schools, burial and burning grounds, contributions for the relief of poor people on the outbreak of plague and other sudden calamities and rewards to private individuals for specially meritorious conduct.

370. *Miscellaneous.*—The expenditure on the establishment, maintenance and operation of broadcasting stations and on programmes is met by the Central Government. The cost of installation of public receiving sets, the charges on account of the Radio Engineer and his establishment and the cost of rural and municipal receiving sets purchased on behalf of local bodies and the maintenance charges of the sets are debited to this head. The recoveries effected from the local bodies towards the cost and maintenance of the sets are credited as receipts under 'XLVI—Miscellaneous'—see paragraph 224. The expenditure on account of the Special Development Officers and Rural Recreation Organizers employed in connexion with amelioration work; cost of the special tribunal constituted under the Estates Land Act, the allowances granted during the period of training in India to Indian Civil Service candidates allotted to this Province and the travelling allowances of Members of the Legislatures attending periodical district conferences convened by Collectors are also debited to this minor head.

371. *Expenditure from rural reconstruction grants.*—This relates to the expenditure from the Central Government's grant for economic development and improvement of rural areas and this is explained in paragraph 712.

372. *Deduct—Contributions recoverable from other Governments, departments, etc.*—Payments made by the Central Government to the Provincial Government for work done on their behalf in the offices of District Magistrates are taken in reduction of expenditure by credit to this head.

373. *Charges in England.*—Leave salaries of officers who spend their leave in England and sterling overseas pay of officers serving in India are exhibited under this head.

374. *Loss or gain by exchange.*—This head is explained in paragraph 609.

Explanation of variations.

375. *General establishments.*—The increase in the revised estimate for 1941–1942 is due mainly to very few officers being on leave out of India on account of the war and to the expenditure incurred on the supply of rice for the relief of distress in the Laccadive and Amindivi Islands caused by the cyclone and to the rise in the price of rice which is exchanged for the coir supplied by the islanders. The increase in the budget estimate for 1942–1943 is mainly due to the provision made for the hire of a steamer for the inspection of the islands.

376. *Subdivisional establishments.*—The decrease in the revised estimate for 1941–1942 is due to fewer civilian officers being available for division charges and to the operation of the new scales of pay in the case of Provincial Service officers. The budget estimate for 1942–1943 includes provision for all civilians who are likely to hold division charges and for leave allowances of officers who may proceed on leave in India.

377. *Other establishments.*—The increase in the revised estimate for 1941–1942 is mainly due to provision for dearness allowance not originally provided for. The further increase in the budget estimate is chiefly due to the provision for dearness allowance for the full year.

378. *Miscellaneous.*—The increase in the revised estimate for 1941–1942 is chiefly due to larger expenditure on the purchase and installation of receiving sets than originally provided for. The budget estimate provides for smaller expenditure on the purchase and installation of receiving sets while additional provision is made on account of the following:— Reference to pages in the Detailed Annual Estimate of Expenditure. 128–130

(i) constitution of a Special Tribunal under the Estates Land Act; and

(ii) appointment of Rural Recreation Organisers in all the non-prohibition districts.

379. *Expenditure from rural reconstruction grants.*—The increase in the revised estimate is due to the expectation that a larger amount will be spent during the course of the year. The budget estimate makes provision for less expenditure with reference to the balance available in the Government of India grant.

Grant XII—Administration of Justice.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.	
27. Administration of Justice—					131–148
High Court	13·51	14·09	14·07	14·68	
Law officers	3·95	4·07	3·96	3·91	
Administrator-General	·35	·41	·40	·41	
Presidency magistrates' courts ..	1·12	1·33	1·50	1·39	
Civil and sessions courts	55·81	56·90	56·68	59·15	
Courts of small causes	1·27	1·25	1·18	1·16	
Criminal courts	11·20	11·40	11·65	13·73	
Charges in England	·27	1·43	·41	·49	
Total ..	**87·48**	**90·88**	**89·85**	**94·92**	

Expenditure.

380. *High Court.*—The administrative expenses of the High Court, including the salaries and allowances of the Judges, the officers and the servants of the court and the charges connected with its Translation and Printing department, the Sheriff's office and the publication of the Madras Law Reports, are debited to this head.

381. *Law officers.*—The expenditure on retaining fees allowed to the Advocate-General, the Crown Prosecutor, the Government Pleader and the Public Prosecutor in Madras and on the Government ministerial establishments sanctioned for them, the retaining fees of the Government Solicitor, Madras, and the Government Pleaders and Public Prosecutors in the mufassal and the case fees, travelling allowances and contingent expenditure allowed to them and to others specially employed to conduct cases on behalf of the Government and fees to pleaders in pauper suits is debited to this minor head.

382. *Administrator-General.*—This minor head records the charges relating to the Administrator-General and Official Trustee and Official Receiver of the High Court and his staff.

383. *Presidency magistrates' courts.*—The charges relating to the stipendiary and honorary presidency magistrates and their establishments and contingent expenditure and the amounts paid to the Madras Corporation, the Madras Port Trust, and the Society for the Prevention of Cruelty to Animals in respect of the magisterial fines credited to the Government in connexion with offences under certain enactments are debited to this minor head.

384. *Civil and sessions courts.*—All the expenses (other than those relating to courts of small causes) of the City Civil Court and the mufassal civil and sessions courts, including the expenditure on copyists and process service establishments in such courts, are debited to this minor head.

385. *Courts of small causes.*—The expenditure relating to the Court of Small Causes at Madras is debited to this minor head.

Reference to pages in the Detailed Annual Estimate of Expenditure.

131–148

386. *Criminal courts.*—The charges relating to whole-time magisterial officers, such as the First-class City Magistrate in Madura and stationary sub-magistrates and bench courts in the mufassal, and the amounts paid to local bodies, forest panchayats and others in respect of the magisterial fines credited to the Government in connexion with offences under certain enactments, are debited to this minor head. No portion of the expenditure relating to the subdivisional officers and others doing both revenue and magisterial work is debited to this minor head.

387. *Charges in England.*—The law charges incurred in England on behalf of the Government of Madras, the leave salaries and sterling overseas pay of officers of the Judicial department and the cost of books and periodicals purchased in England are shown under this head.

388. *Loss or gain by exchange.*—This is explained in paragraph 609.

EXPLANATION OF VARIATIONS.

389. *High Court.*—The budget estimate for 1942–1943 includes a full year's provision for two temporary additional Judges and their establishments.

390. *Civil and sessions courts.*—The decrease in the revised estimate for 1941–1942 occurs mainly under pay of officers and establishments and is due to savings in the provision for leave allowances and for temporary establishments and to the operation of the revised scales of pay. The decrease is partly offset by the grant from the 1st August 1941 of dearness allowance to low paid Government servants and menials not provided for in the budget.

The budget estimate for 1942–1943 includes a full year's provision for dearness allowance, for accruing increments, for the practical training of candidates selected for appointment as district munsifs, for two temporary sub-courts at Bellary and Kurnool and for the appointment of two additional sub-judges at Narasapur and Rajahmundry and of six additional district munsifs at Kovvur, Bhimavaram, Walluvanad, Ottapalam, Tirur and Kasaragod.

391. *Criminal courts.*—The increase in the revised estimate for 1941–1942 is due mainly to the appointment of additional public prosecutors in the course of the year and to larger provision for payment of compensation to local bodies and others in lieu of magisterial fines.

A full year's provision for the additional assistant public prosecutors and for the grant of dearness allowance and provision for the appointment of additional first-class magistrates to give relief to revenue divisional officers account mainly for the increase in the budget estimate for 1942–1943.

392. *Charges in England.*—The decrease in the revised estimate for 1941–1942 occurs mainly under leave salaries and deputation pay.

149–162

Grant XIII—Jails.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
28. Jails and Convict Settlements—				
Jails	24·18	23·78	26·07	25·63
Jail manufactures	4·38	4·31	4·57	4·59
Charges on account of persons confined or detained in jails outside the Province.	..	..	0·08	..
Charges in England	0·19	0·22	0·14	0·16
Total ..	**28·75**	**28·31**	**30·86**	**30·38**

Expenditure.

393. *Jails.*—The expenditure debited to this minor head is that relating to the Inspector-General of Prisons, the Madras Penitentiary (other than the Government branch press the cost of which is debited to 56. Stationery and Printing), Central and District Jails, special jails (the Sanatorium Jail at Bellary, the Women's Jail at Vellore and the Borstal schools at Tanjore and Palamcottah), sub-jails, the certified schools at Chingleput, Ranipet and Bellary, grants to private certified schools and other institutions (the Madras

Society for the Protection of Children, the Madras Children's Aid Society, the Anjuman Industrial School, the Discharged Prisoners' Aid Society, the Madras Seva Sadan and the Salvation Army), and charges for the police custody of under-trial prisoners and their production before courts.

Reference to pages in the Detailed Budget Estimate of Expenditure. 149–162

394. *Jail manufactures.*—The expenditure on the purchase of raw materials, and on manufacturing and other charges including charges for the packing and distribution of quinine in the Penitentiary is debited to this minor head. The value of the articles manufactured in one jail and supplied to the maintenance department of the same jail or to the maintenance and manufactory departments of other jails in the Province is taken in reduction of expenditure under this head. The net expenditure under the minor head is fully covered by the receipts, which are credited to the head XXII. b. Jails and Convict Settlements—Jail manufactures—Other manufactures.

395. *Charges on account of persons confined or detained in jails outside the Province.*—Payments to other Provincial Governments for the maintenance of prisoners belonging to this Province are debited to this minor head.

396. *Charges in England.*—This head exhibits the expenditure incurred in England on the leave salary and sterling overseas pay of the officers of the Madras Jail department, and stores for the Jail department.

EXPLANATION OF VARIATIONS.

397. *Jails.*—The increase in the estimates is on account of increased charges under diet, clothing, bedding, etc., due to increase of prison population and rise in prices of these materials, while the decrease in the budget estimate, 1942–1943 is due to the expected decrease in the jail population.

398. *Jail manufactures.*—The increase is mainly due to larger expenditure on the purchase of cotton and other raw materials for jail manufacture to cope with the increasing orders of consuming departments.

Grant XIV—Police.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.	163–191
29. Police—					
Presidency police	15·14	15·34	16·02	15·75	
Superintendence	2·83	2·87	2·78	2·78	
District executive force	130·33	130·03	134·62	142·16	
Police training schools	1·85	1·75	1·35	1·48	
Village police	·08	·08	·08	·08	
Criminal investigation department	3·13	3·03	3·41	3·46	
Railway police	7·88	7·69	7·70	8·02	
Special police	6·25	7·79	8·16	8·35	
Miscellaneous	·01	·01	·01	·01	
Charges in England	2·03	2·13	1·91	1·72	
Loss or gain by exchange	..	..	·01	..	
Total	**169·53**	**170·72**	**176·05**	**183·81**	

Expenditure.

399. The expenditure debited to the major head 29. Police does not fully represent the real expenditure on policing the Province, as the village policing is mostly done by talaiyaris in ryotwari and proprietary estates villages for whom provision is made under 25. General Administration—District Administration.

The expenditure on the Madras City Police (Presidency Police) is booked separately from that relating to the mufassal police, just as the receipts under the head XXIII. Police are booked separately.

Reference to pages in the Detailed Annual Estimate of Expenditure.
163–191

400. *Presidency police.*—The expenditure under this head relates to the Commissioner, Deputy and Assistant Commissioners of Police and their establishments, the City Executive Force including those employed on harbour and quarantine duties, the Police surgeon and hospital charges, and the cattle-pound expenditure. The contributions from the Central Government covering half the cost of the quarantine police and for the work done by the Commissioner of Police in connexion with the issue of passports are taken as reduction of expenditure under this head, while the Madras Port Trust's contributions of the other half of the cost of the quarantine police and two-thirds of the cost of the harbour police are credited as receipts under the head XXIII. Police.

401. *Superintendence.*—The expenditure relating to the Inspector-General and the territorial Deputy Inspectors-General and their establishments is accounted for under this head.

402. *District executive force.*—To this minor head is debited the expenditure on the pay and allowances together with charges relating to contingencies, clothing and arms and equipment of the mufassal police, the departmental construction and maintenance of police quarters, temporary police establishments to guard houses evacuated during plague, the Cordite Factory guard and the Vizagapatam harbour and quarantine police. The cost of the Cordite Factory guard and the Vizagapatam harbour quarantine police, as also of police escorts for postal remittances, is recovered from the Central Government and adjusted in reduction of expenditure under this minor head, while two-thirds of the cost of the Vizagapatam harbour police is recovered from the Vizagapatam harbour funds and credited as receipts under the head XXIII. Police—see paragraph 120.

403. *Police training schools.*—The expenditure debited to this head is that incurred on the Provincial Police Training School, Vellore, and on recruits' schools for constables.

404. *Village police.*—The expenditure under this head represents the pay of those talaiyaris who work directly under the police and are employed in localities near the hills.

405. *Criminal investigation department.*—The expenditure on the criminal investigation department, which is under a separate Deputy Inspector-General of Police, is debited to this minor head.

406. *Railway police.*—The expenditure on the two railway police districts with head-quarters in Madras City and Trichinopoly respectively is debited to this minor head. About half the expenditure is recovered from the railways concerned through their contributions for the 'order' police, which are credited as receipts under the head XXIII. Police—Contribution for railway police—see paragraph 113.

407. *Special police.*—This minor head is intended to show the cost of police forces which are constituted for special purposes and organized on a system different from the regular district executive force like the Malabar Special Police.

408. *Miscellaneous.*—The contribution to the band expenses of the Police Training School, Vellore, is debited to this minor head.

409. *Charges in England.*—The expenditure debited to this head is that incurred in England on leave salaries and sterling overseas pay of Police officers, expenses on recruitment in England and on stores.

410. *Loss or gain by exchange.*—This is explained in paragraph 609.

Explanation of variations.

411. The general increase in the revised and the budget estimates is chiefly due to temporary staff sanctioned from time to time owing to conditions created by the war and for internal security including reorganization of the Presidency General and Armed Reserves and to the inclusion of provision for dearness allowance to low-paid Government servants and menials.

The budget estimate for 1942–1943 also provides for an increase in the number of tear-smoke squads and training of a gazetted officer and three sergeants at Phillaur in the Punjab as an item of new expenditure.

412. *Charges in England.*—The reduction in the revised and the budget estimates is mainly due to the curtailment of leave programme of officers as a result of the war.

Grant XV—Education.

Reference to pages in the Detailed Annual Estimate of Expenditure.

192–235

413. The expenditure booked under the heads mentioned below is included in this Grant :—

36. Scientific Departments—

37. Education.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
36. SCIENTIFIC DEPARTMENTS—				
Museums, etc.	·95	·91	·88	·95
37. EDUCATION—				
University	28·01	29·43	29·73	31·00
Secondary	31·52	31·54	30·20	33·19
Primary	174·73	180·83	184·40	183·65
Special	22·07	22·24	22·40	23·06
General	22·34	22·10	22·95	24·02
Charges in England	·36	·48	·55	·49
Total ..	**279·03**	**286·62**	**290·23**	**295·41**
Grand Total ..	**279·98**	**287·53**	**291·11**	**296·36**

414. The following is a summary of the Grant by minor heads :—

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
36. SCIENTIFIC DEPARTMENTS—				
Museums	·92	·90	·87	·89
Geological surveys—Contributions ..	..	..	..	·04
Grants in-aid and donations to Scientific Societies and Institutes	..	·01	·01	·01
Charges in England	·03	..	..	·01
Total ..	**·95**	**·91**	**·88**	**·95**
37. EDUCATION—				
University—				
Grants to universities	6·65	7·75	7·79	10·32
Government arts colleges	11·57	11·71	11·64	11·83
Grants to non-Government arts colleges ..	3·45	2·87	2·97	2·10
Government professional colleges	6·25	7·00	7·19	6·62
Grants to non-Government professional colleges.	·09	·10	·14	·13
Secondary—				
Government secondary schools	2·54	2·63	2·54	2·84
Direct grants to non-Government secondary schools.	20·14	19·77	18·91	21·51
Grants to local bodies for secondary education.	8·84	9·14	8·75	8·84
Primary—				
Government primary schools	·37	·42	·46	·46
Direct grants to non-Government primary schools.	80·93	85·22	87·82	86·04
Grants to local bodies for primary education.	93·43	95·19	96·12	97·15
Special—				
Government special schools	17·50	17·68	17·80	18·30
Direct grants to non-Government special schools.	4·57	4·56	4·60	4·76
General—				
Direction	1·78	1·69	1·79	1·81
Inspection	18·00	17·92	18·07	18·95
Scholarships	2·06	1·92	2·04	2·05
Miscellaneous	·50	·57	1·05	1·21
Charges in England	·36	·48	·55	·49
Total ..	**279·03**	**286·62**	**290·23**	**295·41**
Grand Total ..	**279·98**	**287·53**	**291·11**	**296·36**

Reference to pages in the Detailed Annual Estimate of Expenditure.

Expenditure.

36. Scientific Departments.

205–206

415. *Museums.*—The expenditure relating to the Government Museum in Egmore and the Connemara Public Library which are located in the same buildings and are under the control of the Superintendent of the Museum and the Librarian, Connemara Public Library, respectively is debited to this minor head.

416. *Geological survey.*—The contribution payable to the Government of India for investigation of the mineral resources of the Province is debited to this minor head.

417. *Grants-in-aid and donations to Scientific Societies and Institutes.*—The grant made to the Bhandarkar Oriental Research Institute, Poona, towards the cost of the publication of a critical edition of the Mahabharata is shown under this head.

Charges in England.—The cost of publications and stores obtained from England for the Connemara Public Library and Government Museum is debited to this head.

37. Education.

418. The expenditure debited to this major head relates to transactions under the control of the Education Department and connected with general education. Expenditure on special education, e.g., in forestry, medicine, agriculture, veterinary science, co-operation and industrial technique or for special sections of the community, such as the fisher communities, communities eligible for help by the Labour department and the like, is debited to the respective subject heads according to the department which incurs the expenditure.

The major head 37. Education is subdivided into several sub-major heads, namely, University, Secondary, Primary, Special, General and Charges in England.

207–216

University.

This covers expenditure connected with courses of studies prescribed by the Universities of this Province for their degree examinations. The following are the minor heads :—

419. *Grants to universities.*—The recurring grants-in-aid of the general resources of the universities, namely, Rs. 3,15,500 for Madras and 1·50 lakhs each for the Andhra and Annamalai Universities and grants for specific purposes, e.g., opening of a Natural Science block in the Andhra University are debited to this minor head.

420. *Government arts colleges.*—Expenditure relating to Government arts and science colleges, including those which have intermediate and secondary departments attached to them, is debited to this minor head.

421. *Grants to non-Government arts colleges.*—The several classes of grants given are—Teaching grants which are grants towards regular maintenance, grants for buildings, playgrounds and equipment, and contributions to the provident funds of teachers in non-Government institutions. The grants mentioned do not ordinarily exceed half the total net expenditure on an institution.

In respect of provident funds, the Government contribution is paid when a teacher retires or for other accepted reasons withdraws his deposits and is equal to one-third of the amount standing to his credit in his account, i.e., his contributions and the management's contributions equal to half his contributions and the accumulated interest thereon.

422. *Government professional colleges.*—The expenditure relating to the Law College, the Engineering College (including its subordinate engineering branch) and the Teachers' Training Colleges (including the model schools attached to them) is debited to this minor head.

423. *Grants to non-Government professional colleges.*—The non-Government professional colleges which receive grants at present are the St. Christopher's Training College for Women and the Meston Training College for Men at Madras.

SECONDARY.

Reference to pages in the Detailed Annual Estimate of Expenditure.

217–221

424. This covers expenditure on secondary education including courses of studies prescribed by (1) the universities of this Province for their intermediate examinations in second grade arts colleges and (2) the Government for the secondary school-leaving certificate and other examinations preliminary to the instruction required for the University Intermediate examinations.

The following are the minor heads :—

425. *Government secondary schools.*—The expenditure on the Government specialists in physical education for boys and girls, on non-European Government secondary schools (mostly for Muhammadans and girls) and on the Government manual training and wood-work and domestic science and needle-work classes for European schools is debited to this minor head.

426. *Direct grants to non-Government secondary schools.*—Grants in respect of non-Government secondary schools other than those under the control of local bodies are debited to this minor head. These grants are regulated by the Code of Regulations for European Schools and the Madras Grant-in-aid Code for Indian schools, and are generally for maintenance including rents for school and hostel buildings and compensation for the fee or other concessions to poor pupils and children of ex-Army men prescribed in the Code, buildings, playgrounds, equipment and provident funds. European schools are eligible also for certain special grants, e.g., boarding and cadet grants.

427. *Grants to local bodies for secondary education.*—Maintenance grants given to local bodies for secondary education are treated as lump-sum payments, the amount in each case generally representing the subsidy granted to the local body in the year 1929–1930 with the addition of 5 per cent to it. Local bodies are also eligible for half grants for buildings, playgrounds and equipment in respect of their secondary schools.

PRIMARY.

221–224

428. This covers expenditure on education of the elementary type. European schools imparting such instruction are classed as Primary and Indian schools as Elementary.

The minor heads are—

429. *Government primary schools.*—Schools imparting elementary education are maintained by the Government only in the Laccadives and Amindivi Islands and in the partially excluded areas of Vizagapatam and East Godavari.

430. *Direct grants to non-Government primary schools.*—Grants for European primary schools, and for Indian orphanages and maintenance (i.e., teaching) building, equipment and fee concession grants to all elementary schools other than those maintained by local bodies and panchayats are debited to this minor head.

431. *Grants to local bodies for primary education.*—The local authorities to whom grants are given are—

(1) Municipalities and district boards ; and

(2) Panchayats.

Municipalities and district boards are eligible for—

(*a*) Fixed grants in respect of elementary schools under local bodies opened prior to the date of coming into force of the Elementary Education Act, 1920, the Government schools transferred to their control on the coming into force of the Act, and of schools subsequently opened at the cost of the Government ;

(*b*) grants equivalent to the proceeds of the education tax collected by them ; and

(*c*) grants for manual training classes, fee concessions to children of ex-Army men and buildings.

The Kumbakonam Municipal Council is also given a grant towards the net cost of its Arts class and the North Arcot District Board is also given a grant for the maintenance of its Muhammadan yeomiah and orphan school at Arcot.

Panchayats are given maintenance (i.e., teaching) and building grants.

Reference to pages in the Detailed Annual Estimate of Expenditure.

Special.

432. Expenditure on schools imparting instruction other than that falling into the foregoing categories is included in this sub-major head.

225–228 The minor heads are—

433. *Government special schools.*—These schools are intended to impart instruction to pupil teachers of the secondary and elementary grades for the training-school leaving certificate examination, the passing of which is ordinarily insisted upon before they are employed as teachers.

434. *Direct grants to non-Government special schools.*—Not only teachers' training schools but all special schools which are aided by the Government fall into this category. Examples are :—Commercial schools, the Cordite Factory school, the Buckingham and Carnatic Mills schools, Mandapam Quarantine Camp school, the Government House schools at Madras and Ootacamund, Sanskrit and Arabic schools, adult education classes, community schools and schools for lepers, the deaf and dumb and the blind. In addition to the ordinary teaching, provident fund, building and equipment grants, teachers' training schools are eligible also for grants to pay stipends to pupil teachers under training for elementary grades.

General.

229–235 The minor heads are—

435. *Direction.*—Expenditure relating to the Director of Public Instruction and his deputies and subordinate staff, on books purchased by him for free distribution to schools and other institutions and on customs duty on stores for all institutions purchased in England is debited to this minor head.

436. *Inspection.*—Expenditure on the Government staff for inspection of all secondary, elementary and special schools, including the Inspector of European Schools and the Superintendent of Sanskrit Schools, is debited to this minor head.

437. *Scholarships.*—An allotment is made annually for the grant of scholarships for poor students in Government as well as non-Government, aided (European and non-European) local board and special schools. The maximum number of scholarships that may be granted for each grade of instruction, namely, collegiate, secondary and elementary, is fixed by the Government and scholarships may be sanctioned by the Director up to the maximum. Provision is also made for scholarships tenable at the Indian Military School, Dehra Dun.

438. *Miscellaneous.*—Expenditure on the following items is debited to this head :—

(1) The European scholarship examination, the expenditure on which is covered by the fees levied ;
(2) The contribution towards the running expenses of the Inter-Provincial Board for European Education ;
(3) Oriental Manuscripts Library ;
(4) Text-book Committee and registration of books ;
(5) Grants to local bodies and panchayats for libraries and to the Boy Scout and Girl Guide movements ;
(6) Fixed grants to the Schwartz schools in the Tanjore, Trichinopoly and Ramnad districts and to the Indian Students' Union and Hostel in London, special (yeomiah) scholarships to Muhammadan boys in the Nellore district, grants to the Madras Olympic Association and grants to cover the Secondary School-Leaving Certificate fees of children of ex-Army men ; and
(7) Contributions towards educational exhibitions.

439. *Charges in England.*—The expenditure on leave salaries and sterling overseas pay and stores for educational institutions is debited to this head.

Explanation of variations.

207–216 440. *Grants to universities.*—The budget estimate for 1942–1943 includes provision for payment of grants to—

(i) The Andhra University for construction of administrative buildings (Rs. ·50 lakh) ; and
(ii) to the Annamalai University for building schemes relating to science block and Tamil Research (Rs. 1·50 lakhs) and in aid of its general resources (Rs. ·40 lakh).

Reference to pages in the Detailed Annual Estimate of Expenditure.

441. *Government arts colleges.*—The budget estimate for 1942-1943 provides for a new scheme, viz., opening of B.Sc. course in "Home Science" in the Queen Mary's College. 207-216

442. *Grants to non-Government arts colleges.*—The decrease in the budget estimate for 1942–1943 is due to the fact that no building grant is required by the management of the Madras Christian College, Tambaram, as that authority does not propose to proceed with the building scheme due to war conditions and financial uncertainty.

443. *Government professional colleges.*—The revised estimate for 1941–1942 includes provision for the installation of an oil engine and additional equipment for the Engineering College. The decrease in the budget estimate for 1942–1943 is due to the absence of this special expenditure.

444. *Government secondary schools.*—The budget estimate for 1942–1943 includes provision for the following new schemes :— 217-221

(i) Employment of additional physical directors ;

(ii) opening of additional sections in Forms V and VI of the Government Muhammadan High School, Kurnool;

(iii) employment of an Assistant to the Woman Specialist in Physical Education and additional establishment in the office of the Woman Specialist; and

(iv) opening of additional Government Secondary Schools for girls.

445. *Direct grants to non-Government secondary schools.*—The decrease in the revised estimate for 1941–1942 is due to the discontinuance of the system of paying in advance the grant for loss of fee income on account of free admission of poor girls reading in private schools, the provision for which is therefore required in 1942–1943 only. The budget estimate for 1942–1943 allows for enhanced provision for boarding grants for European schools and for the new schemes relating to building and equipment grants to non-European Secondary Schools under private managements.

446. *Grants to local bodies for secondary education.*—The decrease in the revised estimate for 1941–1942 occurs under building grants to local bodies due to their inability to push on with the execution of works for which provision was made in the budget.

447. *Direct grants to non-Government primary schools.*—The increase in the revised estimate for 1941–1942 is mainly due to an additional expenditure of Rs. 1·73 lakhs for removing the cut imposed on assigned grants to elementary schools in 1940–1941. The budget estimate for 1942–1943 excludes this special provision. 221-224

448. *Grants to local bodies for primary education.*—The increase in the estimates is mainly due to the increased grants under section 37 of Act VIII of 1920. The budget estimate for 1942–1943 provides also for the following new schemes :—

(i) An additional grant of ·67 lakh on account of compensation for loss of income under Education Tax levied as surcharge on Profession Tax, which will not accrue to local bodies owing to the operation of the Profession Tax Limitation Act;

(ii) grant towards the introduction of pre-vocational training in elementary schools under local bodies and private agencies; and

(iii) subsidies to local bodies for the construction of buildings in elementary schools.

449. *Government special schools.*—The budget estimate for 1942-1943 provides for the following new schemes of expenditure :— 225-228

(i) Employment of clerks in Government training schools for masters ;

(ii) opening of additional Government secondary schools for girls and a Government Training School for Women at Namakkal, Salem district; and

(iii) the continuance of the physical training classes for women at Saidapet.

450. *Inspection.*—The increase in the budget estimate for 1942–1943 is mainly on account of provision made for the following new schemes :— 229-233

(i) Bifurcation of Vizagapatam district into two educational districts and appointment of an additional District Educational Officer ;

(ii) appointment of a separate Deputy Director of Elementary Education;

(iii) employment of four Muhammadan Junior Deputy Inspectors of Schools ; and

(iv) employment of additional clerks in the offices of the Deputy Inspectors of Schools.

Reference to pages in the Detailed Annual Estimate of Expenditure.

233–235 451. *Miscellaneous.*—The revised estimate for 1941–1942 provides for payment of grants to local bodies and panchayats for public libraries not contemplated in the budget estimate for the current year.

Anglo-Indian and European education.

452. Sub-section (1) of section 83 of the Government of India Act, 1935, requires that, unless the Provincial Legislative Assembly otherwise resolve by a prescribed majority, a grant shall be made for the benefit of the Anglo-Indian and European communities for education not less in amount than the average of the grants made for their benefit in the ten financial years ending on the 31st March 1933 ; provided that if in any financial year the total grant for education in the Province is less than the average of the total grants for education in the ten financial years specified, then whatever fraction the former may be of the latter, any grant made in that financial year for the benefit of the Anglo-Indian and European communities need not exceed the same fraction of the average of the grants made for their benefit in the same ten financial years.

The average of the total grants for education in the Province of Madras in the ten financial years ending on the 31st March 1933 was Rs. 228·50 lakhs and the average in the same period for Anglo-Indian and European education was Rs. 8·05, that is, 3½ per cent of the total. Consequently a minimum provision of Rs. 8·05 lakhs has to be made for European education every year, unless the total provision for education in a particular year falls below Rs. 228·50 lakhs. The total amounts provided from 1940–1941 for education and for Anglo-Indian and European education are—

	Total under 37. Education.	Total for Anglo-Indian and European education.
	RS. LAKHS.	RS. LAKHS.
1940–1941 (Accounts)	279·03	8·02
1941–1942 (Revised Estimate)	290·23	8·03
1942–1943 (Budget Estimate)	295·41	8·92

Classification of Expenditure as Medical and Public Health.

453. The governing principle laid down for determining whether an item of expenditure should be shown under the head Medical or the head Public Health, is that the head 38. Medical has reference to medical facilities given to the public through the treatment of individual cases, whilst the head 39. Public Health has reference to general measures affecting the public as a whole, e.g., sanitation, research, investigation, the control and combating of epidemic diseases, etc. But if an officer whose pay is debited to 38. Medical incurs expenditure relating to 39. Public Health, the expenditure is debited to the former head and *vice versa.*

Grant XVI—Medical.

	Accounts, 1940–1941.	Budget, Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
235–270 38. Medical—				
Medical establishments	8·43	8·59	7·72	7·78
Hospitals and dispensaries ..	75·91	77·14	76·82	81·45
Medical colleges and schools ..	11·05	11·75	10·96	11·93
Mental hospitals	5·04	5·15	5·00	4·87
Chemical Examiner	·40	·47	·53	·50
Charges in England	·82	1·20	1·06	·71
Loss or gain by exchange	..	..	..	..
Total ..	101·65	104·30	102·09	107·24

Expenditure.

Reference to pages in the Detailed Annual Estimate of Expenditure. 235–270

454. *Medical establishments.*—The charges relating to the Surgeon-General and District Medical Officers and their establishments and contingent expenditure, the pay of assistant and sub-assistant surgeons who do not hold sanctioned posts but are kept on reserve duty in hospitals (owing to the number of officers on leave being less than allowed for), the leave salaries of all medical officers belonging to cadres which have a leave and vacancy reserve and the expenditure on account of the administration of the Drugs Act, 1940, are debited to this head, as also the travelling allowances paid to the persons sent from Madras as members of the All-India Medical Council, the grant, if any, to the Madras Medical Council and the customs duty on imported stores for all medical institutions.

455. *Hospitals and dispensaries.*—Under this minor head are shown the charges relating to all Government hospitals and dispensaries in the Province (including the tuberculosis sanatorium at Tambaram and the hospital attached to the School of Indian Medicine, but excluding mental hospitals), the pay and allowances of Government medical officers employed in institutions under the control of local bodies at taluk headquarter hospitals and at other stations (subject to recovery in the latter case), grants to local bodies and private institutions for the maintenance of hospitals and dispensaries and sanatoria and for buildings and equipment, grants to private leper asylums and the tuberculosis sanatoria at Madanapalle and Perundurai, subsidies to medical practitioners and midwives in connexion with rural dispensaries, maintenance grants to the Tirumani Leper Sanatorium, grants to the Provincial Branch of the British Empire Leprosy Relief Association for the leprosy relief campaign and grants for tuberculosis investigation and survey.

456. *Medical colleges and schools.*—The expenditure on the medical colleges at Madras and Vizagapatam and the School of Indian Medicine at Madras, capitation grants to the Missionary Medical School at Vellore and expenditure connected with the scheme of research into the indigenous drugs of India for which a grant is given by the Imperial Council of Agricultural Research are debited to this minor head.

457. *Mental hospitals.*—To this minor head are debited the charges relating to the mental hospitals at Madras, Waltair and Calicut.

458. *Chemical Examiner.*—Under this head are shown the charges (including contingent expenditure) relating to the Chemical Examiner and his staff and the charges payable to the Central Government for examination by the Imperial Serologist of articles sent to him by the Chemical Examiner.

459. *Charges in England.*—The sterling overseas pay and leave salaries of medical officers drawn in England, the cost of stores purchased in England for the Medical department, the contribution to the Tropical Diseases Bureau, and expenses connected with recruitment in England (usually of the nursing staff) are debited to this minor head.

460. *Loss or gain by exchange.*—This is explained in paragraph 609.

EXPLANATION OF VARIATIONS.

461. *Medical establishments.*—The decrease in the revised estimate for 1941–1942 is due mainly to vacancies in the Indian Medical Service being filled up by members of the Provincial Medical Service on less pay and to the absence of any expenditure on the administration of the Drugs Act, 1940.

462. *Hospitals and dispensaries.*—The decrease in the revised estimate for 1941–1942 occurs mainly under pay of officers and establishments due to various causes such as vacancies in the Indian Medical Service cadre, appointment of junior officers and re-employment of retired officers in place of those deputed for military duty and the operation of the revised scales of pay. Savings occur also in the provision for grants to District Tuberculosis Associations to meet establishment and other charges connected with the construction of tuberculosis clinics by the Public Works Department. The decrease is partly counterbalanced by an increase under diet charges due to a rise in the cost of articles of diet and in the number of in-patients and under medicines and hospital necessaries due to the purchase of additional equipment required in connexion with air raid precautions and for the X-Ray department of the Government General Hospital, Madras, and the maternity extensions in the King George Hospital, Vizagapatam.

The budget estimate for 1942–1943 includes a provision of Rs. 2·36 lakhs for schemes of new expenditure detailed in the appendix, the more important of the schemes being employment of additional staff in institutions which are now understaffed, increase

Reference to pages in the Detailed Annual Estimate of Expenditure.

235–270 in the bed strength of the district headquarters hospital, Tanjore, provincialization of certain local fund and municipal medical institutions and building and equipment gránts to the Madras Corporation (improvements to the Raja Sir Ramaswami Mudaliyar's Lying-in-hospital) and certain district boards and to the Union Mission Tuberculosis Sanatorium, Madanapalle, and some other private medical institutions. The budget estimate also includes a full year's provision for the grant of dearness allowance and increased provision for dietary charges, medicines and hospital necessaries and for subsidies for rural dispensaries.

463. *Medical colleges and schools.*—The decrease in the revised estimate for 1941–1942 is mainly due to two professorships having been held by officers of the Provincial Service instead of by officers of the Indian Medical Service and to the retirement of some senior professors. The decrease is partly offset by the employment in the course of the year of some additional medical staff in the Stanley Medical College. The budget estimate for 1942–1943 includes provision for the grant of special pay to holders of teaching appointments and for the opening of a hostel for the women students of the Andhra Medical College, Vizagapatam, and a full year's provision for the additional medical staff employed in the Stanley Medical College in the current year.

464. *Charges in England.*—The decrease in the budget estimate for 1942–1943 is mainly due to smaller expenditure on English stores.

Grant XVII—Public Health.

		Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
271–286	39. Public Health—				
	Public health establishments—				
	Ordinary expenditure	12·35	12·55	12·08	12·91
	Financed from deposit account	·18	..	·16	·01
	Grants for public health purposes	6·17	5·44	5·63	3·44
	Expenses in connexion with epidemic diseases—				
	Ordinary expenditure	2·06	2·04	1·98	2·27
	Financed from deposit account	·20	·36	·26	·36
	Bacteriological laboratories	4·60	5·47	5·15	5·14
	Transfer to the Fund for the development of rural water-supply.	10·00	..	10·00	..
	Expenditure from the Fund for the development of rural water-supply.	4·54	6·50	6·23	10·11
	Deduct—Transfer from the Fund for the development of rural water-supply.	— 4·54	— 6·50	— 6·23	— 10·11
	Works	..	..	..	..
	Charges in England	·07	·33	·49	·28
	Total ..	**35·63**	**26·19**	**35·78**	**24·41**

Expenditure.

465. *Public health establishments—Ordinary expenditure.*—The expenditure debited to this minor head is that on the Director of Public Health and assistant directors, the malaria officer, district health officers, municipal health officers and their assistants, health inspectors, the Sanitary Engineer and deputy sanitary engineers and the mechanical expert for the inspection of local bodies' water-works and pumping plant, the Director of Town-Planning, the rural sanitation officer and the research health officer and their staff and contingent expenditure, including the annual contribution to district boards towards half the pay of assistant district health officers and to the East Godavari Agency District Board for the employment of vaccinators in the Bhadrachalam taluk and on the training school for health visitors conducted by the Public Health Department. Recoveries of centage charges on account of plans and estimates prepared by the Sanitary Engineering Department for water-supply and drainage schemes of local authorities are taken in reduction of expenditure under this head.

466. *Public health establishments—Financed from deposit account.*—The expenditure on the Poonamallee health unit scheme in 1941–1942 is financed from the grant from the Central Government for economic development and improvement of rural areas. The contribution from the Government of India grant is credited to the deposit account on

Reference to pages in the Detailed Annual Estimate of Expenditure.

receipt and an amount equal to the expenditure is withdrawn from the deposit account and credited to XXVIII. Public Health—Miscellaneous—*vide* paragraph 147. With effect from 1942–1943 the expenditure on the scheme is to be met from Provincial revenues.

467. *Grants for public health purposes.*—The expenditure on grants to the Madras Corporation and other local bodies for water-supply and drainage schemes executed by them and for anti-malarial measures, to health and child-welfare associations and to the East Godavari Agency District Board for sanitary and other arrangements during the annual Sri Rama Navami festival at Bhadrachalam is debited to this minor head. 271–286

468. *Expenses in connexion with epidemic diseases—Ordinary expenditure.*—Under this minor head is shown the expenditure on plague establishments and preventive measures, on the purchase of quinine for free distribution and the reimbursement to the Cinchona Department of the loss involved in selling quinine at less than the cost price through post offices, and on sanitary measures in malarial tracts.

469. *Expenses in connexion with epidemic diseases—Financed from deposit account.*—The expenditure on anti-malarial operations partly financed from contributions from the Indian Research Fund Association and partly from provincial funds is shown under this head. The grant made by the Indian Research Fund Association is credited to the deposit account on receipt and an amount equal to half the expenditure representing the Association's share is withdrawn and credited to XXVIII. Public Health—Miscellaneous—*see* paragraph 147.

470. *Bacteriological laboratories.*—The expenditure on the King Institute of Preventive Medicine and on experiments on water filtration plant at Kilpauk is shown under this head.

471. *Transfer to the Fund for the development of rural water-supply.*—A fund for the execution within a reasonable period of time of a comprehensive scheme of protected water-supply for household purposes in the rural areas of this Presidency was established in 1937–1938 in the Deposit section of the accounts with an initial contribution from revenues of Rs. 18 lakhs in that year in order that the scheme may not be held up for want of funds. Further contributions which may be made to the Fund from time to time will also be debited to this minor head.

472. *Expenditure from the Fund for the development of rural water-supply and Deduct—Transfer from the Fund.*—When an item of work included in the comprehensive programme drawn up for a district is taken up for execution, the expenditure will be debited to this minor head, and a corresponding amount will be transferred from the amount to the credit of the Fund in the Deposit section of the accounts and adjusted in reduction of expenditure.

473. *Works.*—The expenditure on experiments on water filtration at Kilpauk which was formerly debited to this minor head, is now debited to the minor head "Bacteriological Laboratories" as the filter station has since been transferred to the control of the Director, King Institute. The provision now made under this head is for any excess expenditure or refunds in respect of centage charges on water-supply and drainage works executed on behalf of local bodies, pending adjustment of the amounts.

474. *Charges in England.*—The charges relate to the leave salary of officers who spend their leave in Europe, sterling overseas pay and expenditure on stores purchased in England mainly for the King Institute.

Explanation of variations.

475. *Public health establishments—Ordinary expenditure.*—The decrease in the revised estimate for 1941–1942 is due to larger recoveries (taken as reduction of expenditure under this head) of centage charges on account of plans and estimates prepared by the Sanitary Engineering department for water-supply and drainage schemes of local bodies; and to smaller expenditure under rural sanitation campaign owing to a reduction in the number of rural sanitation units. The budget estimate for 1942–1943 anticipates smaller recoveries of centage charges than in 1941–1942 and includes provision for (i) payment of contribution to district boards towards the pay of assistant district health officers; (ii) employment of second-class health officers in five municipalities; (iii) institution of a course of training for sanitary inspectors in anti-mosquito work; and (iv) bifurcation of certain public health ranges in the East Godavari and Vizagapatam districts.

476. *Grants for public health purposes.*—The increase in the revised estimate for 1941–1942 is due to a larger amount provided for disbursement as grants to the Madras Corporation partly off set by a decrease under grants to local bodies in the mufassal for water-supply and drainage schemes.

The large decrease in the budget estimate is due to postponement of a number of water-supply and drainage schemes owing to the war time shortage of steel and iron.

Reference to pages in the Detailed Annual Estimates of Expenditure.

271-286 Provision has been made for the undermentioned grants for water-supply and drainage works :—

	RS. LAKHS.
Ambasamudram Panchayat sinking of borewells	·01
Bezwada water-supply rearrangement of distribution system ..	·02
Coimbatore water-supply (additional mains)	·44
Madras Corporation water-supply and drainage	2·36
Rajahmundry drainage	·10
Salem drainage	·30
Srirangam drainage	·08
Tuticorin—Infiltration wells	·02
Vayalpad water-supply improvements	·06
Vellore water-supply improvements	·05
Lump deduction for probable savings	— ·95
	2·49

A lump sum provision of Rs. 82,000 has also been included for grants to local bodies for maintenance of maternity and child welfare centres.

477. *Expenses in connexion with epidemics—Ordinary expenditure.*—The increase in the budget estimate for 1942–1943 is due to—

(i) larger expenditure under anti-malarial operations financed from the Indian Research Fund Association ;

(ii) extension of cynogas fumigation schemes to new areas ; and

(iii) cost of malaria investigation in the Salem and Vizagapatam districts.

478. *Transfer to the fund for the development of rural water-supply.*—It is proposed to make a contribution of Rs. 10 lakhs to the fund in the current year.

479. *Expenditure from the fund for the development of rural water-supply.*—The decrease in the revised estimate for 1941–1942 is due to the slow progress of expenditure on works while better progress is anticipated in the next year.

480. *Charges in England.*—The decrease in the budget estimate for 1942–1943 is due to smaller expenditure under stores.

Grant XVIII—Agriculture.

Reference		Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
287-309	40. Agriculture—				
	Direction	·93	·85	·93	·96
	Superintendence	2·24	2·71	2·62	2·80
	Experimental farms	3·40	3·73	3·47	3·85
	Agricultural demonstration and propaganda including public exhibition and fairs.	6·93	8·09	8·30	9·03
	Agricultural education	1·42	1·42	1·44	1·30
	Agricultural experiments and research—				
	Ordinary expenditure	3·67	3·73	3·95	4·51
	Financed from deposit accounts ..	·99	·99	·94	1·09
	Botanical and other public gardens ..	·26	·26	·27	·30
	Scheme for the improvement of agricultural marketing in India—				
	Ordinary expenditure	·29	·32	·33	·35
	Financed from deposit account ..	·19	·01	·17	·18
	Special rural uplift schemes ..	..	..	..	..
	Grants-in-aid, contributions, etc. ..	·19	·30	·31	·25
	Block grant for transfer to the Deposit account of grants for the relief of groundnut cultivators.	..	..	·19	5·76
	Other charges	..	..	..	5·31
	Amount met from the Deposit account of grants for the relief of groundnut cultivators.	..	..	— ·19	— 5·76
	Charges in England	·06	·05	·04	..
	Total ..	**20·57**	**22·46**	**22·77**	**29·93**

Expenditure.

Reference to Pages in the Detailed Annual Estimate of Expenditure.

481. *Direction.*—The charges relating to the Director and the Deputy Director of Agriculture at Madras and their office establishments and contingent expenditure, and customs duty on stores for the department purchased in England, are shown under this head. 287-309

482. *Superintendence.*—The expenditure incurred on the pay and allowances of the Deputy and Assistant Directors of different circles and their office establishments and contingent expenditure is debited to this head.

483. *Experimental farms.*—To this minor head are debited the charges relating to agricultural research stations other than the Agricultural College and Research Institute, Coimbatore, the pomological stations at Coonoor and Kallar, the Burliyar gardens, and the fruit nurseries at Kodur and Taliparamba.

484. *Agricultural demonstration and propaganda including public exhibitions and fairs.*—Under this minor head is shown the expenditure incurred by the Agricultural Department on demonstration of and propaganda relating to improved methods of cultivation, purchase of seeds, manures and agricultural implements for distribution to seed farms and sale to ryots, maintenance and equipment of depots, stocking implements, seed, manure, etc., for sale to ryots, and measures for the control of diseases of crops.

The expenditure incurred on exhibitions and shows held by the Agricultural department on such occasions as flower shows, jamabandi camps, health week celebrations and district co-operative conferences is also shown under this minor head.

485. *Agricultural education.*—This relates to expenditure relating to the Agricultural College, the Central Farm and College Estate at Coimbatore and the Agricultural Schools at Anakapalle, Palur and Coimbatore.

486. *Agricultural experiments and research—Ordinary expenditure.*—The expenditure relates to the Research Institute at Coimbatore and the provincial share of the expenditure on schemes partly financed by the Imperial Council of Agricultural Research.

487. *Agricultural experiments and research—Financed from deposit account.*—The cost of research schemes relating to cotton, potato, sugarcane, fruits, groundnut, the malting of cholam, animal nutrition, sun-hemp, coconuts, and dry farming, which are undertaken at the instance of the Imperial Council of Agricultural Research and the Indian Central Cotton Committee, and mainly at their cost, is debited to this head. An amount equal to this expenditure is transferred from the deposit account of the grant and credited to the revenue head XXIX. Agriculture—*vide* paragraph 150.

488. *Botanical and other public gardens.*—Under this minor head is shown the expenditure on the maintenance and supervision of the botanical gardens at Ootacamund and the Sim's Park Botanical Gardens, Coonoor.

489. *Scheme for the improvement of agricultural marketing.*—The expenditure on the Provincial Marketing Officer and his staff and on the marketing scheme financed by the Imperial Council of Agricultural Research is shown under this minor head. The expenditure from Provincial funds is shown as Ordinary expenditure. Under Financed from deposit accounts is shown the expenditure to be financed by the grant from the Imperial Council of Agricultural Research. An amount equal to this expenditure is transferred from the deposit account of the grant and credited to the revenue head XXIX. Agriculture—*vide* paragraph 150.

490. *Special rural uplift schemes.*—Expenditure on the purchase of seeds and ploughs in the Agency tracts for the uplift of Koyas is the only item debited to this minor head at present.

491. *Grants-in-aid, contributions, etc.*—The grants and contributions debited to this minor head are those given to the Agri-Horticultural Society, Madras, for training gardeners to the same society and the Municipal Council, Kodaikanal, in connexion with parks and flower shows, to the Agricultural College Students' Club, to agricultural associations, exhibition committees, etc., for exhibition purposes, to the United Planters' Association of Southern India for development of planting industries, to the Tiruppur Co-operative Sale Society for carrying on the CO_2 seed development scheme, and to the Imperial Council of Agricultural Research for research into the quality of coffee.

492. *Block grant for transfer to the Deposit Account of grants for the relief of groundnut cultivators.*—The block grant for transfer to the Deposit account of the grant for the relief of groundnut cultivators is debited to this minor head.

Reference to pages in the Detailed Annual Estimate of Expenditure.

Other charges.—The charges incurred in connexion with the schemes introduced for the benefit of groundnut cultivators have been provisionally debited to this head in the absence of full particulars.

287–309 *Amount met from the Deposit account of grants for the relief of groundnut cultivators.*—The amount transferred from the Deposit account to finance expenditure on groundnut schemes is credited to this head.

493. *Charges in England*.—The expenditure incurred in England on the leave salaries and sterling overseas pay of officers of the Agricultural department and on the purchase of stores for that department is shown under this head.

Explanation of variations.

494. *Experimental farms*.—The decrease in the revised estimate for 1941-1942 is mainly on account of the scheme of dry farming in red soils of Anantapur district having been deferred. The budget estimate for 1942–1943 includes provision for a new scheme, viz., opening of a rice research station in the Chingleput district.

495. *Agricultural demonstration and propaganda including public exhibition and fairs*.—The budget estimate for 1942–1943 provides for the following new schemes :—

(i) Appointment of upper subordinates in vacancies caused by the promotion of or grant of leave to lower subordinates ;

(ii) employment of store-keepers in certain agricultural depots ;

(iii) introduction of bee-keeping as a cottage industry in the Vizagapatam district ; and

(iv) enforcement of the Agricultural Pests and Diseases Act, 1919, in certain taluks of the Guntur, Kistna, East and West Godavari districts against 'broom rape' pest, a plant parasite injurious to tobacco and certain other crops.

496. *Agricultural experiments and research—Ordinary expenditure*.—The revised estimate for 1941–1942 provides for the erection of a plant for the manufacture of cholam malt in the Agricultural College, Coimbatore. The budget estimate for 1942–1943 provides for the following new schemes, viz. :—

(i) Appointment of a lecturer in agricultural economics ; and

(ii) CO_2 Cambodia cotton seed multiplication and distribution in Tiruppur area.

497. *Agricultural experiments and research—Financed from deposit account*.—The budget estimate for 1942–1943 provides for a new scheme of expenditure, viz., scheme for the multiplication and distribution of H_1 cotton seed.

Grant XIX—Veterinary.

310–326

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
41. Veterinary—				
Superintendence	1·75	1·62	1·61	1·78
Subordinate establishment	3·27	3·14	3·04	3·23
Hospitals and dispensaries	2·97	3·09	3·08	3·24
Veterinary education and research—				
Ordinary expenditure	1·24	1·27	1·48	1·37
Financed from deposit account ..	·17	·20	·22	·27
Other charges	·98	1·07	·99	1·10
Breeding operations—				
Ordinary expenditure	1·26	1·30	1·32	1·75
Financed from deposit account ..	·29	·31	·30	·33
Charges in England	·10	·24	·15	·15
Total ..	**12·03**	**12·24**	**12·19**	**13·22**

Expenditure.

Reference to pages in the Detailed Annual Estimate of Expenditure.

498. *Superintendence.*—The expenditure on the Director of Veterinary Services and his establishments and on customs duty on stores purchased in England for institutions other than the Veterinary College and hospital and the charges relating to the district supervision staff and their establishments are debited to this minor head. 310-326

499. *Subordinate establishment.*—The charges relating to the touring veterinary establishments, and the cost of sera and vaccines purchased from Mukteswar are debited to this minor head.

500. *Hospitals and dispensaries.*—Under this minor head are shown the charges relating to the Government veterinary hospitals and dispensaries.

501. *Veterinary education and research—Ordinary expenditure.*—The expenditure on the Madras Veterinary College and hospital, the dispensary at Rayapuram and the scheme of veterinary investigation is debited to this minor head.

502. *Veterinary education and research—Financed from deposit accounts.*—The expenditure on the scheme of veterinary investigation, except for a small part which is met from Provincial revenues, and a moiety of the expenditure on the scheme for enquiry into the helminthiasis of cattle and the scheme for investigation into diseases of poultry are financed by the Imperial Council of Agricultural Research. The grants made by the Council are credited into the deposit account and an amount equal to the expenditure is withdrawn and credited to the head XXX. Veterinary—*vide* paragraph 157.

503. *Other charges.*—This minor head exhibits the charges relating to the Madras Serum Institute.

504. *Breeding operations—Ordinary expenditure.*—The charges relating to the Livestock Development Officer, and the Livestock Research Station at Hosur ; the expenditure on livestock development schemes, such as the scheme to assist Sugalis in Kurnool district, maintenance of the breeding bulls at veterinary hospitals, the grant of premia to co-operative societies and private parties for the maintenance of breeding bulls, and charges on account of poultry improvement ; grants-in-aid to associations and exhibition committees ; and contributions to local bodies for the purchase and maintenance of breeding bulls are debited to this minor head.

505. *Breeding operations—Financed from deposit accounts.*—The expenditure on the sheep-breeding scheme which has been undertaken at the instance of the Imperial Council of Agricultural Research, a moiety of the expenditure on the milk-recording scheme and the expenditure on the purchase and maintenance of breeding bulls which is met out of donations received from institutions and individuals are debited to this minor head. An amount equal to the expenditure is withdrawn from the deposit account and credited to the revenue head XXX. Veterinary—*vide* paragraph 157.

506. *Charges in England.*—The expenditure incurred in England on the leave salary and the sterling overseas pay of the officers of the Madras Veterinary Department and on the purchase of stores required for that department is shown under this minor head.

Explanation of variations.

507. The increase in the budget estimate under ‘ Superintendence,’ ‘ Subordinate establishment ’ and ‘ Hospitals and dispensaries ’ is due to the inclusion of provision for the creation of two additional circles, for the appointment of five touring Veterinary Assistant Surgeons and two additional compounders and for opening four dispensaries.

508. *Veterinary education and research—Ordinary expenditure.*—The increase in the revised estimate for 1941–1942 is due to the additional provision required for the purchase of apparatus and materials for the Veterinary College.

509. *Breeding operations—Ordinary expenditure.*—The increase in the budget estimate, 1942–1943 is due to the following new schemes of expenditure :—

(i) Opening of a buffalo-breeding station at Prattur in Guntur district ; and

(ii) Establishment of village shearing and grading centres for wool.

Grant XX—Co-operation.

Reference to pages in the Detailed Annual Estimate of Expenditure.		Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
327–331	42. Co-operation—				
	Direction	1·14	1·02	1·09	1·15
	Superintendence—				
	Ordinary expenditure ..	12·30	13·00	12·75	13·32
	Financed from deposit account.	·73	·70	·69	·11
	Grants-in-aid—				
	Ordinary expenditure ..	·10	·20	·10	·20
	Financed from deposit account.	·20	·29	·28	·28
	Charges in England	·02	..	..	..
	Total ..	**14·49**	**15·21**	**14·91**	**15·06**

Expenditure.

510. *Direction.*—The expenditure on account of the Registrar, Joint Registrar and Personal Assistant and subordinate staff is debited to this minor head.

511. *Superintendence—Ordinary expenditure.*—The expenditure on the staff of the Co-operative Department other than that included in the foregoing minor head, the Government staff employed in societies and land mortgage banks and for audit, execution and liquidation work and the expenditure on the Central Co-operative Training Institute are debited to this minor head.

512. *Superintendence—Financed from deposit account.*—Under this head is shown the expenditure from the Central Government's grant for co-operative training and education. An amount equal to the expenditure is transferred from the deposit account and credited to the head XXXI. Co-operation—vide paragraphs 160 and 713.

513. *Grants-in-aid—Ordinary expenditure.*—Under this head is shown the expenditure on account of the grant of subsidies to the Ramdoss Co-operative Training Institute, Rajahmundry, to enable it to employ a Superintendent for training of Supervisors and to other co-operative societies working at a loss towards stamp duty on sale certificates issued in their favour, and grants to colonization societies towards share capital of members.

514. *Grants-in-aid—Financed from deposit account.*—Under this head is shown the expenditure from the Central Government's grant from the Sugar Excise Duty for subsidizing the societies of sugarcane growers. An amount equal to the expenditure is transferred from the deposit account and credited to the head XXXI. Co-operation—vide paragraph 160.

515. *Charges in England.*—Under this minor head is debited the expenditure on the leave salary and sterling overseas pay of the officers of the Co-operative Department.

Explanation of variations.

516. *Superintendence—Ordinary expenditure.*—The decrease in the revised estimate for 1941–1942 is due to change in personnel among Deputy Registrars and reduction in strength of temporary establishments. The budget estimate for 1942–1943 provides for the employment of separate Deputy Registrars of Co-operative Societies with staff for certain districts and for the staff required for the schemes relating to colonization of compact blocks of land, already introduced and to be introduced in 1942–1943.

517. *Superintendence—Financed from deposit account.*—The decrease in the budget estimate for 1942–1943 is due to the limiting of the expenditure on schemes to the extent of the available grant from the Government of India and to the absence of fresh subsidized schemes.

Industries.

518. The major head 43. Industries records the expenditure connected with the Industries, Cinchona and Fisheries Departments. It is distributed over two grants, namely, Grant XXI. Industries and Grant XXII. Cinchona and Fisheries.

Reference to pages in the Detailed Annual Estimate of Expenditure.

332–348

In addition, the capital outlay on industrial development financed from sources other than current revenues is booked under the major head 72. Capital Outlay on Industrial Development, which is included in Grant XXXIV.

Grant XXI—Industries.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
43. Industries—				
Industries—				
Ordinary expenditure	10·57	11·35	12·73	12·28
Financed from deposit accounts	·27	·38	·31	·43
Grants-in-aid—				
Ordinary expenditure	2·26	2·39	2·54	2·59
Financed from deposit accounts	1·12	1·01	1·32	·77
Charges in England	·01	·27	·42	·26
Total ..	**14·23**	**15·40**	**17·32**	**16·33**

Expenditure.

519. *Industries.*—Under the minor head Industries is recorded the expenditure on the following :—

(1) The Director of Industries and Commerce, the Joint Director of Industries and Commerce, Industrial Engineer and the Statistical Officer for the compilation of statistics relating to production and prices, and their establishments and other expenditure.

(2) District industrial engineering establishments for pumping and boring operations which are mainly intended to help ryots to get water for irrigation.

(3) The cost of scholarships for Madrasi students in the Indian Institute of Science, Bangalore, the Victoria Jubilee Technical Institute, Bombay, the Andhra University and other institutions and State technical scholarships.

(4) The Industrial Schools at Bellary, Calicut and Madura, the Trade School at Mangalore, the School of Technology, the Leather Trades Institute, the School of Arts and Crafts and the Textile Institute in Madras.

(5) Sericulture and other operations connected with it.

(6) The Kerala Soap Institute, Calicut, and experiments on oils, fats, etc., in the Institute.

(7) The Industrial Engineering Workshops, Madras.

(8) Miscellaneous experiments and demonstrations including the sericultural and the cottage and small scale woollen industries subsidized by the Central Government.

520. *Grants-in-aid.*—This minor head includes the expenditure on—

(1) Grants-in-aid to industrial schools for maintenance, building, equipment, capitation and stipendiary grants ;

(2) Contributions to the Victoria Jubilee Technical Institute, Bombay, and the Indian Institute of Science, Bangalore ;

(3) Grants for the hand-spinning movement ; and

(4) Development of handloom, and the cottage and small scale woollen industries financed wholly or partly by grants received from the Central Government.

521. *Charges in England.*—The expenditure in England on leave salaries and deputation pay of officers of the Industries department, on stores purchased for the department, on industrial scholarships tenable in England and on the recruitment of officers is debited to this minor head.

Commercial Concerns.

Reference to pages in the Detailed Annual Estimate of Expenditure.

522. The Kerala Soap Institute, Calicut, in respect of its soap manufacturing activities and the Industrial Engineering Workshops, Madras, are treated as business undertakings, and commercial accounts outside the regular accounts are maintained for them with annual profit and loss accounts and balance sheets. Two special items relating to them, which enter into the regular accounts, are :—

332–348

(1) Interest charges on the capital invested on them, the object and details of which are explained in paragraphs 321 and 326 ; and

(2) Depreciation funds for renewals and replacements.

Each of these undertakings has a depreciation fund of its own in the deposit section of the Government accounts. The annual allowance for depreciation of capital assets and the sale-proceeds of unserviceable plant and machinery are credited to the fund as receipts. The depreciation fund may be drawn upon only for renewals and replacements of old assets and not for additions or improvements, which should be financed as new capital outlay. When the fund is so drawn upon, the amount is debited to it as outgoings. Such portion of the depreciation fund as is not utilized for renewals and replacements is regarded as invested with the Government, who pay interest thereon. The annual allowance for depreciation is debited as expenditure under the head 43. Industries. Expenditure on renewals and replacements is debited to the same head, but the debit is cancelled by the transfer of an equivalent amount from the depreciation fund, which is adjusted in reduction of expenditure.

Explanation of variations.

523. *Industries—Ordinary expenditure.*—The increase in the revised estimate for 1941–1942 is mainly due to the larger expenditure anticipated on the fish-liver oil industry, supply of ligature guts to the Medical Stores Depot, purchase and stock of stores for the Kerala Soap Institute to guard against increase in prices, purchase of machinery for pumping and boring operations and the special provision made for the investigation of Asbestos deposits during 1941–1942.

The budget estimate for 1942–1943 provides for the following new schemes in addition to normal expenditure :—

(1) Introduction of the manufacture of essential oils and flower essences as an integral part of the commercial activities of the Kerala Soap Institute, Calicut ; and

(2) Introduction of a dolls and toys section in the Government Industrial School, Madura.

524. *Grants-in-aid—Ordinary expenditure.*—The increase in the revised estimate for 1941–1942 is due to the grant sanctioned to the All-India Spinners' Association for equipping their workshop at Tiruppur.

The budget estimate for 1942–1943 provides for the following items of new expenditure :—

(1) Grants-in-aid to Industrial schools ;

(2) Provision of increased maintenance and equipment grants for select Industrial schools ;

(3) Building grant to the Industrial school for artisans proposed to be opened by the Ramakrishna Mission at Thyagarayanagar ; and

(4) Continuance of the contribution to the Indian Institute of Science, Bangalore.

525. *Financed from deposit accounts.*—The variations in the revised estimate for 1941–1942 and the budget estimate for 1942–1943 are based on the anticipated expenditure on the handloom industry during these two years.

526. *Charges in England.*—The increase in the revised estimate for 1941–1942 is due to the carry forward of liabilities on account of English stores ordered in 1940–1941.

Grant XXII—Cinchona and Fisheries.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.	Reference to pages in the Detailed Annual Estimates of Expenditure.
43. Industries—					
Cinchona plantations	19·21	6·94	7·28	6·90	349—362
Fisheries—					
Ordinary expenditure	5·69	5·59	6·19	6·15	
Financed from deposit account	..	..	·03	0·13	
Charges in England	·20	·32	·37	0·27	
Total ..	**25·10**	**12·85**	**13·87**	**13·45**	

527. *Cinchona Plantations.*—The expenditure on the Director of Cinchona and his staff, on the factory for the manufacture of quinine from cinchona bark harvested from the department's plantations in Naduvattam, Dodabetta and the Anamalais or purchased from elsewhere, and on the development of these plantations except the Anamalais is debited to this minor head. The capital expenditure on the Anamalais plantations and the expenditure on the construction of permanent quarters are debited to the Capital head 72. Capital Outlay on Industrial Development.

The cinchona plantations are treated as a business undertaking, and commercial accounts outside the regular accounts are maintained for them with annual profit and loss accounts and balance sheets. Two special items relating to them which enter into the regular accounts are—

(1) Interest charges on the capital invested on them, the object and details of which are explained in paragraphs 321 and 326 ; and

(2) Depreciation funds for renewals and replacements.

The undertaking has a depreciation fund of its own in the deposit section of the Government accounts. The annual allowance for depreciation of capital assets and the sale-proceeds of unserviceable plant and machinery are credited to the fund as receipts. The depreciation fund may be drawn upon only for renewals and replacements of old assets and not for additions or improvements which should be financed as new capital outlay. When the fund is so drawn upon, the amount is debited to it as outgoings. Such portion of the depreciation fund as is not utilized for renewals and replacements is regarded as invested with the Government, who pay interest thereon.

528. *Fisheries.*—To this minor head is debited the expenditure on the four Assistant Directors of Fisheries and their staffs, the pearl and chank fishing operations off the coast of Tinnevelly district (the former at long intervals and the latter annually), the maintenance of fishery vessels, the experimental and research stations at several places including fish-breeding operations, the Marine Aquarium at Madras, the fish-curing yards on both the east and the west coasts, departmental schools for the fisherfolk, fixed compensations to local bodies for loss of fishery rentals due to the Government's taking over their fisheries, payment of grants to the Nilgiri and Palni Hills Game Associations and the expenditure on the Fresh-water Biological Station (Rural Piscicultural Scheme) partly subsidised by the Imperial Council of Agricultural Research.

The largest items of the expenditure are those incurred on chank fishing operations, fishery schools, compensations to local bodies and fish-curing yards.

529. *Charges in England.*—The expenditure in England on leave salaries and deputation pay of officers of the Cinchona and Fisheries departments and on stores purchased for these departments is debited to this minor head.

Explanation of variations.

530. *Cinchona Plantations.*—The increase in the revised estimate for 1941–1942 is mainly due to the inclusion of larger provision for the wages of workmen employed on the cinchona plantations and for other incidental expenses on account of the expansion of the planting areas and to the grant of dearness allowance to the workmen and certain members of the staff.

Reference to pages in the Detailed Annual Estimate of Expenditure.

349—362 The decrease in the budget estimate for 1942–1943 as compared with the revised estimate for 1941–1942 is due to the reduced provision included in the next year's budget towards interest charges on the capital invested on the cinchona plantations and to the purchase of a smaller quantity of cinchona bark and quinine partly offset by increased expenditure on account of the extension of the plantation areas and the grant of dearness allowance.

531. *Fisheries—Ordinary expenditure.*—The increase in the revised estimate for 1941–1942 is chiefly due to (i) larger expenditure anticipated on fish-curing operations, (ii) working of the Ramnad Chank Fisheries newly leased from 1941–1942 and (iii) to the payment to the Court of Wards for the lease of these fisheries. In addition to the expenditure on items (i) and (ii) above, the budget estimate for 1942–1943 also provides for the following new schemes :—

(1) Practical training of officers of the Fisheries department ;

(2) Opening of higher standards in certain Fisheries schools ;

(3) Opening of standard VIII in Fisheries school at Vellayil ;

(4) Opening of new Fisheries schools at certain centres.

Financed from deposit account.—The revised estimate provides for expenditure on the Fresh-water Biological Station (Rural Piscicultural scheme) only from January to March 1942, while the budget estimate includes provision for the whole of 1942–1943.

Grant XXIII—Miscellaneous Departments.

363—382 The expenditure booked under the heads mentioned below is included in this grant :—

44. Aviation.

44-A. Capital outlay on Civil Aviation.

47. Miscellaneous Departments.

The following is a summary of the grant by minor heads :—

	Accounts, 1940–1941.	Budget Estimate, 1941-1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
44. Aviation—				
Grants for aviation purposes	·10	·23	·25	·20
Works	..	..	·01	·01
Special services and miscellaneous expenditure	..	..	·03	·01
Total ..	·10	·23	·29	·22
44-A. Capital outlay on Civil Aviation—				
Capital expenditure financed from ordinary Revenues	..	..	·24	..
47. Miscellaneous Departments—				
Labour	16·46	18·00	18·40	19·77
Inspector of Factories	·74	·83	·78	·95
Inspector of Steam Boilers	·55	·62	·57	·63
Examinations	4·00	4·15	4·18	4·53
Provincial statistics—				
Registration of births and deaths ..	·13	·12	·15	·13
Administration of Indian Partnership Act, 1932	·03	·03	·03	·03
Miscellaneous—Ceded Districts Economic Development Board	..	..	·13	·16
Charges in England	..	..	..	·01
Total ..	**21·91**	**23·75**	**24·24**	**26·21**
Grand Total ..	**22·01**	**23·98**	**24·77**	**26·43**

Expenditure.

Aviation.

532. *Grants for aviation purposes.*—Grants given to the Madras Flying Club for purposes connected with the imparting of instruction in flying and allied subjects are debited to this head.

Reference to pages in the Detailed Annual Estimates of Expenditure.

Works.—The cost of small minor works, renewals and replacements and of maintenance of landing grounds, etc., is debited to this head

Special services and miscellaneous expenditure.—This head is intended to record expenditure of a miscellaneous nature connected with aviation.

Capital expenditure financed from ordinary revenues.—See paragraph 660. 363–382

Miscellaneous departments.

533. *Labour.*—Expenditure incurred on the Commissioner of Labour and his executive staff in the districts, on measures for the amelioration of the condition of the communities eligible for help by the Labour department and of landless labourers, e.g., special educational facilities, provision of wells, pathways, burial grounds, house-sites, etc., on the reclamation of Kallars, Yenadis and Koravars and on settlements for criminal tribes is debited to this minor head. Grants to private educational institutions established solely for the communities eligible for help by the Labour department and to the Salvation Army for the supervision of the Stuartpuram settlement for criminal tribes, and the contribution to the Bombay Government for the maintenance of the Donga Dasaris of the Bellary district who are interned in the Hubli Settlement and the expenditure on Courts of Enquiry constituted under the Trades Disputes Act, 1929, are also debited to this head.

534. *Inspector of Factories.*—The charges on account of inspectors of factories and their establishments are recorded under this head.

535. *Inspector of Steam Boilers.*—Under this head are shown the pay and allowances of inspectors of boilers and their establishments and contingent expenditure. The department inspects also the boilers in Coorg and in the Civil and Military Station, Bangalore, and the recoveries on this account are taken in reduction of expenditure under this head.

The inspection for the registration and renewal of boilers in the pumping stations of local bodies is also done by the regular boiler inspection staff, but the regular inspection of the pumping machinery is conducted by a mechanical expert under the Sanitary Engineer and the cost of such inspection is debited to the head 39. Public Health—Public Health Establishments—Sanitary and Deputy Sanitary Engineers.

536. *Examinations.*—Under this head are recorded the charges connected with the village officers' special tests and the examinations conducted by the Commissioner for Government Examinations, e.g., the Secondary School-Leaving Certificate, Training School Leaving Certificate, technical and other miscellaneous examinations. The fixed amounts of compensation paid to the Madras University and the Andhra University for the loss of fee income from the Matriculation Examination due to the introduction of the Secondary School-Leaving Certificate Examination are also debited to this head.

537. *Provincial statistics.*—The expenditure debited to this minor head includes that on the staff in the office of the Registrar-General of Births, Deaths and Marriages and the remuneration paid to the marriage registrar in Madras and the pay and contingent expenditure of the staff employed in the office of the Director of Public Health for the compilation of vital statistics.

538. *Administration of the Indian Partnership Act,* 1932.—The expenditure on the administration of the Indian Partnership Act, which consists of the honorarium paid to the Inspector-General of Registration, who is the administrator of the Act in this Province, and the pay, allowances and contingent expenditure of the staff employed for the purpose is debited to this minor head. The expenditure is covered by receipts, which are credited to XXXVI. Miscellaneous departments—Administration of the Indian Partnership Act.

539. *Miscellaneous—Ceded Districts Economic Development Board.*—The pay allowances and contingent expenditure of the Secretary and the establishment of the Ceded Districts Economic Development Board constituted to co-ordinate the work of all departments in the task of planning the prosperity of the Ceded districts, are debited to this head.

540. *Charges in England.*—The leave salaries and overseas pay drawn in England by the Commissioner of Labour and others, and the cost of stores purchased in England are debited to this head.

Reference to pages in the Detailed Annual Estimates of Expenditure.

EXPLANATION OF VARIATIONS.

541. *Capital expenditure financed from ordinary revenues.*—See paragraph 662.

363–382 542. *Labour.*—The increase in the revised estimate for 1941–1942 is due mainly to the increased cost of production of matches in the Chintaladevi Criminal Tribes Settlement, the provision of employment for agricultural labourers in the Chittoor and Kurnool districts affected by adverse seasonal conditions and to the extension of educational facilities to children of converts from communities eligible for help by the Labour department. The increase is partly offset by the transfer from this head to 37. Education of the debit relating to the grant of fee concessions to pupils.

The budget estimate for 1942–1943 provides for the extension of the activities of the Labour department connected with the spread of education, provision of water-supply and acquisition of house-sites for the benefit of communities eligible for help by the Labour department, for increased boarding grants and extension of the scheme of providing free midday meals to pupils belonging to these communities.

543. *Examinations.*—The growing increase in the number of candidates for the Secondary School-Leaving Certificate and Training-School Leaving Certificate examinations, the institution of a public examination at the end of the VIII standard and the increase in the rates of remuneration for setting and valuing papers connected with the Training-School Leaving Certificate Examinations account mainly for the increase in the budget estimate for 1942–1943.

Civil Works.

383–395 544 The expression "Civil Works" in the Government accounts means works relating to Civil Departments and local bodies and executed for them by the Public Works Department, as contrasted with "Defence Works," which relate solely to the Defence Department of the Central Government. Road and bridge works executed by local bodies partly or wholly with Government grants-in-aid are also treated as "Civil Works."

545. Ordinarily works which do not require the employment of skilled labour or professional supervision are classified as petty construction and repairs, and are not executed by the Public Works Department for other departments but by the department concerned. Some departments, e.g., the Forest Department, have engineering staffs of their own and some others, e.g., the Excise, Police and Agriculture departments are unable to utilize the services of the Public Works Department for buildings in out-of-the-way localities. In such cases also departmental works are executed by the departments themselves and the cost is debited to the respective departmental budget heads.

546. In certain other cases, e.g., Police stations and Police lines borne on the Police registers, the Public Works Department is sometimes entrusted with the execution of works requiring the employment of skilled labour or professional supervision. In such cases, the expenditure is debited to the departmental budget head together with the prescribed centage charges payable to the Public Works Department, the latter being adjusted in reduction of expenditure under 50. Civil Works—Establishments.

547. The expenditure incurred by the Public Works Department is debited to the following major heads :—

50. Civil Works, when it is met from current revenues.

81. Capital Account of Civil Works outside the Revenue Account, when it is met from other sources.

Expenditure debited to 50. Civil Works is, for convenience, included in three grants, namely :—

Grant XXIV.—Civil Works—Works, which covers original works such as buildings and communications, and also repairs to works in the charge of the Public Works Department.

Grant XXV.—Establishment and tools and plant.

Grant XXVI.—Grants-in-aid to local bodies for roads and bridges executed by them and water-supply and drainage schemes executed by the Public Works Department on their behalf.

Expenditure debited to 81. Capital Account of Civil Works outside the Revenue Account is included in Grant XXXV. Civil Works outside the Revenue Account.

Reference to pages in the Detailed Annual Estimate of Expenditure. 383–386

Grant XXIV—Civil Works—Works.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
50. Civil Works—				
Original Works—Buildings	10·25	17·61	14·87	19·08
Original Works—Communications	2·94	3·84	5·06	6·26
Original Works—Miscellaneous	·02	·40	·96	1·07
Lump-sum deduction for probable savings ..	..	— 1·21	..	— 1·31
Repairs	19·80	20·90	20·83	20·68
Suspense	— 4·19	— ·23	4·55	— ·24
Lump addition for regrant of lapses ..	..	·10	..	·10
Total ..	**28·82**	**41·41**	**46·27**	**45·64**

Expenditure.

548. *Original Works—Buildings.*—All outlay on the acquisition of buildings and new construction, whether of entirely new works or of alterations and addition to existing works, as well as special repairs to newly purchased or previously abandoned buildings required before they can be brought into use, is classed as expenditure on Original Works. Under this head comes also any substitution of one variety of work for another, e.g., a tiled for a thatched roof, when the new work results in a genuine increase in the permanent value of the property as an asset. The maximum annual limit for improvements to Government Houses has been fixed at Rs. 50,000 under the Government of India (Governors' Allowances and Privileges) Order, 1936—*vide* paragraph 336.

549. *Original Works—Communications.*—The outlay incurred by the Public Works Department on works relating to communications under their control and on similar works entrusted to the department by local bodies for execution, is debited to this minor head. It includes construction, reconstruction or substantial improvement of roads, bridges, ferries, tunnels, ropeways, causeways, tramways and other means of communication, together with buildings, wells, encamping grounds, etc., for travellers, and milestones, fencing, avenue planting, inspection houses, and other works connected with communications, such as experimental road surfacing.

550. *Original Works—Miscellaneous.*—Outlay on works is debited to this head only when there is absolutely no other existing head to which it can suitably be debited. Embankment works which are not debitable to irrigation heads, works to prevent coast erosion and Air Raid Precaution works are the items brought under this minor head.

551. *Lump-sum deduction for probable savings.*—In order to minimize lapses in budget provisions, lump-sum deductions are made. The amounts have been fixed on a consideration of the lapses which have occurred in the past under most of the heads concerned. These lump deductions will not preclude the incurring of expenditure up to the gross amount provided in the budget subject to the condition that, if the net amount provided under the grant as a whole is likely to be exceeded, a supplementary grant is obtained in due course.

552. *Repairs.*—This head covers all operations other than new works, which are necessary in order to maintain in proper condition buildings and other works and communications which are in ordinary use. It includes also rates and taxes paid by the Public Works Department on both residential and non-residential buildings, charges on account of watchmen for vacant buildings and rents paid for hired residences. The maximum annual expenditure on repairs to Government Houses is fixed, under the Government of India (Governors' Allowances and Privileges) Order, 1936, as amended in the Secretary of State's Letter No. 8432/40, dated 19th February 1941, as follows—*vide* paragraph 336 :—

	RS.
Repairs	1,03,000
Electricity	55,000
Water	18,000
Taxes	65,000
Total ..	2,41,000

Reference to pages in the Detailed Annual Estimate of Expenditure.

383–386

553. *Suspense.*—This minor head is intended to cover transactions relating to purchases, stock, miscellaneous public works advances, English stores and workshop suspense. These heads are of a temporary character and all transactions recorded under them are ultimately removed either by payment or recovery in cash or by adjustment to the works concerned. The transactions therefore consist of both debits and credits, and the latter are adjusted in reduction of expenditure.

554. *Lump addition for regrant of lapses.*—No provision for irrigation and civil works which are expected to be completed in a year is made in the budget estimate of the ensuing year; but, in order to provide for the contingency of some of these works not being completed or paid for as anticipated, lump-sum provisions for regrant of lapses are entered in the ensuing year's budget estimates under the heads concerned. All appropriations from these provisions are made with the sanction of the Finance Department.

Explanation of variations.

555. *Original Works—Buildings.*—The decrease in the revised estimate for 1941–1942 is due to the postponement of certain works owing to the shortage of iron and steel and slow progress on some other works due to the revision of estimates and other causes. The budget estimate for 1942–1943 anticipates better progress on incomplete works and provides for the new works detailed in Appendix I under Grant XXIV—Civil Works—Works.

556. *Original Works—Communications.*—The increase in the revised and the budget estimates is chiefly due to good progress anticipated on incomplete works and to the inclusion of provision for new works to be financed from the Central Road Fund.

The undermentioned works are financed from the Central Road Fund :—

Work.	Total estimated cost.	Expenditure to end of 1940–1941.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
(1)	(2)	(3)	(4)	(5)
(1) Constructing a sub-way at the Northern level crossing, south of the Bezwada Railway Station. *	2·34	·91	·44	·03
(2) Formation of road from Pedapudi to Intur.	·15	..	·15	·01
(3) Widening and tarring the Ootacamund-Mettupalaiyam road within Mettupalaiyam Panchayat limits.	·49	·50	— ·08	..
(4) Improving the Anamalai Ghat Road by strengthening or reconstructing the dilapidated weak culverts.	1·00	·39	·45	·18
(5) Constructing a by-pass road at Coonoor.	·16	·13	·03	..
(6) Strengthening and widening the culverts on the Yercaud Ghat Road.	·31	·10	·11	·08
(7) Widening the Yercaud Ghat Road ..	·30	·24	·05	..
(8) Construction of a road over Sangam Anicut.	·92	..	·08	·50
(9) Cement concreting the road over the Lower Anicut and approaches.	·44	·42	..	..
(10) Metalling Chintapalligudem road from miles 33/3·270 to 42/0.	·51	..	·09	·42
(11) Forming and metalling Rajahmundry-Maredumilli Road, miles 47/0 to 49/2.	·37	..	·05	·32
(12) Minor works	..	..	·25	·02
Total ..	**6·99**	**2·69**	**1·62**	**1·56**

* The work is partly financed from the Central Road Fund. The expenditure in 1941–1942 and 1942–1943 will be wholly met from the Fund.

557. *Miscellaneous.*—The increase in the revised and the budget estimates is due to the inclusion of provision for A.R.P. works financed entirely by the Provincial Government. Reference to pages in the Detailed Annual Estimate of Expenditure. 383–386

558. *Suspense.*—The large variation between the budget and the revised estimate for 1941–1942 is mainly due to adjustment in the year of the cost of materials purchased at the close of 1940–1941 for works including water-supply and drainage schemes in the Coimbatore Circle and to the transfer of surplus stock from "68. Cauvery-Mettur Project" to "50. Civil Works—Suspense."

Grant XXV—Civil Works—Establishment and Tools and Plant.

387–392

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
50. Civil Works—				
Establishment	37·38	37·66	37·06	38·41
Charges in England	·86	·98	·49	·31
Loss or gain by exchange	..	..	..	..
Tools and plant	·95	·86	·78	·70
Total ..	**39·19**	**39·50**	**38·33**	**39·42**

Public Works Establishments and Tools and Plant Charges.

559. The whole of the establishment and tools and plant charges of the Public Works Department is initially booked under the appropriate minor heads under 50. Civil Works. As these establishments are joint establishments for the execution of works falling under several heads of account (Irrigation, Capital Account of Civil Works outside the Revenue Account, etc.), the actual expenditure on establishment charges is distributed after the close of the financial year amongst the various accounts which record the expenditure incurred by the department in proportion to the works expenditure under each head concerned. Any special establishment which is wholly employed on a work is, however, entirely charged to that work and is not included in these *pro rata* calculations.

The same procedure applies also to the charges on account of ordinary tools and plant used in the Public Works Department, but the cost of tools, plant or machinery obtained to meet the special requirements of a particular work or project is treated as a direct charge to the work or project concerned.

It follows that the actual establishment and tools and plant charges finally adjusted under the head 50. Civil Works will be only part of the gross expenditure incurred. For the purpose of the grants, however, the gross charges, deducting only the percentage recoveries on account of work done for the Central Government, local bodies and others, are included in a single grant. The expenditure on "Establishment for Communications," which is also included in this grant is not taken into account in the *pro rata* distribution.

560. *Establishment.*—The expenditure relating to Chief Engineers, Government Architects, the Electrical Engineer, Superintending and Executive Engineers and their establishments, and Establishment for Communications is debited to this minor head.

561. *Charges in England.*—Under this head is debited the expenditure in England on leave salaries, sterling overseas pay, recruitment, etc.

562. *Loss or gain by exchange.*—This is explained in paragraph 609.

563. *Tools and plant.*—The expenditure on repairs and purchase of tools, plant and machinery, including road-rollers, and on transporting them to and from the places where they are to be used, is debited to this minor head.

Explanation of Variations.

564. *Establishment.*—The decrease in the revised estimate for 1941–1942 is mainly due to the reduction in the number of Indian Service of Engineers Officers holding posts of Executive Engineers and to reduced expenditure anticipated under pay of establishments on account of the abolition of certain subdivisions and other causes, partly offset by the inclusion of provision for the dearness allowance of low-paid Government servants and

Reference to pages in the Detailed Annual Estimate of Expenditure.

387–392

menials paid from contingencies for 7 months. The budget estimate for 1942–1943 provides for the grant of the dearness allowance for the whole of the year and also for the following new items of expenditure :—

(1) Employment of staff in connection with the excavation of a direct irrigation channel from the right bank of the Pennar to irrigate lands in certain villages in Siddhout taluk, Cuddapah district ;

(2) Employment of staff in connection with the improvements to the Pooraparamba Cut and restoration of the Conolly Canal from Kuttayi to Pooraparamba river, West Coast canal, Malabar district ;

(3) Employment of special staff for the construction of new headquarters hospital at Calicut ;

(4) Employment of special staff for scientific investigation of drainage problems in the Godav. ri, Kistna and Cauvery deltas.

565. *Charges in England.*—The figures under this head are based on the leave programme of officers which has been considerably curtailed as a result of the war.

Grant XXVI—Civil Works—Grants-in-aid.

393–395

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
50. Civil Works—				
Grants-in-aid	69·50	97·94	90·91	95·79

Expenditure.

566. Grants to local bodies for maintenance, special repairs, construction, reconstruction and improved surfacing of roads and for similar expenditure on bridges and culverts under their control, for capital expenditure on such of their water-supply and drainage schemes as are entrusted to the Public Works Department for execution and contributions to the Provincial Road Fund are debited to this head. The grants fall in the following categories :—

I. *Recurring grants for maintenance of roads and bridges*—

(1) *Trunk roads.*—The Madras Corporation is eligible for a fixed grant of ·20 lakh per annum. Mufassal municipalities and district boards are eligible for the actual amount spent by them subject to an upper limit calculated on the mileage of trunk roads under their control at mileage rates fixed with reference to the general volume of traffic thereon, provided the superintending engineer concerned certifies that the roads have been maintained properly. The maximum amount of the annual grants on the basis of the existing mileage of trunk roads is about 19·62 lakhs.

(2) *Important marketing roads.*—Only district boards are eligible for maintenance grants for these roads. The maximum admissible for each board is a fixed amount, which is subject to a reduction equal to the average annual cost of a district board engineer when an additional engineer paid from Provincial funds is sanctioned for any board. The grants are paid subject to the condition that the district board spends an equal amount from its own funds either on these roads or on second-class roads and subject to the further condition that the Collector of the district concerned certifies that the roads have been maintained properly. The total amount of the grants is at present 14·21 lakhs.

(3) *Other roads.*—The Nilgiris and Madura District Boards, the Madras Corporation, the Saidapet, Kodaikanal, Coonoor and Ootacamund Municipalities are given fixed amounts for the maintenance of specific roads. The total amount of such grants is ·32 lakh.

II. *Non-recurring grants for special repairs, improvement, construction or reconstruction of roads, bridges and culverts on trunk and important marketing and second-class roads and improved surfacing of roads.*—Local bodies are eligible for grants from Provincial revenues as follows :—

(1) full grants for repair of flood and cyclone damages and new works on trunk roads ;

(2) grants equal to half the expenditure for such objects on important marketing and second-class roads in district board areas ;

Reference to pages in the Detailed Annual Estimate of Expenditure.

(3) full grants for special repairs of trunk and important marketing roads subject to the condition that local bodies do not reduce their usual maintenance expenditure on the roads concerned ; and

(4) grants for improved surfacing of roads.

In special cases when, owing to the contraction of agricultural labour as a result of failure of rains, it is found necessary to take up works for the relief of unemployment and the Government do not consider it necessary to open Government works, district boards are permitted to take up road works towards the cost of which the Government give grants based on the financial position of the district boards concerned. Such expenditure may, if the Government so decide, be financed from the Famine Relief Fund, an equal amount being transferred from the Fund and adjusted in reduction of expenditure under this head. 393–395

III. *Grants for village communications*.—Local bodies are eligible for grants from Provincial revenues ordinarily equal to half the expenditure incurred on the improvement or construction of village communications.

IV. *Water-supply and drainage schemes*.—Local bodies are ordinarily eligible for grants equal to half the capital outlay on protected water-supply and drainage schemes in their areas. If the works are executed by the local bodies themselves, the grants are debited to the head 39. Public Health—Grants for Public Health purposes. If they are executed by the Public Works Department on their behalf, the grants are debited to the present head 50. Civil Works—Grants-in-aid.

V. *Grants from the Central Road Fund*.—Subject to the specific approval of each item by the Central Government, grants may be given by the Madras Government from their share of this Fund (which is credited on receipt to the deposit head Subventions from the Central Road Fund) for the following objects :—

(1) construction of new roads and bridges of any sort ; and

(2) reconstruction or substantial improvement of existing roads and bridges.

Grants given for these objects are debited to this head, and corresponding amounts are credited at the same time to the head XXXIX. Civil Works—Transfer from Central Road Fund by debit to the deposit head.

VI. *Contribution to Provincial Road Fund*.—It has been decided to give additional grants to local bodies from Provincial funds not exceeding the amount by which the actual sum available for distribution under the Madras Motor Vehicles Taxation Act falls short of the maximum contribution payable under the Act. The Government have created a Provincial Road Fund to which the balance of grant left undrawn out of the amount due for a particular year may be credited so that the amount may be available for use in subsequent years. The contribution to the Road Fund account which has been opened in the deposit section of the Provincial budget with effect from 1941–1942, is debited to this sub-head.

Explanation of variations.

567. The decrease in the revised estimate is mainly due to reduction of expenditure on grants to local bodies on water-supply and drainage schemes owing to the shortage of iron and steel and to shorter drawals from the Central Road Fund Account due, among other things, to the possible curtailment of bitumen supplies by the spread of war to the Far East, partly offset by larger allotment for flood repairs and the provision made for contribution to the Provincial Road Fund.

The budget estimate for 1942–1943 provides Rs. 11·22 lakhs (gross) for the following new items of expenditure :—

(1) Grants to local boards for the improvement of village communications ;

(2) Classification of the Calicut-Cannanore road as a trunk road and payment of grant to the Malabar District Board for its maintenance ; and

(3) Non-recurring grants to local bodies for roads and bridges (other than village communications).

Electricity.

Reference to pages in the Detailed Annual Estimate of Expenditure.

568. The principles regulating the classification of expenditure in the Electricity Department are generally the same as those in respect of the expenditure of the Irrigation Department, as summarized in paragraphs 286 to 288.

396–418 The expenditure relating to the Electricity Department which is financed from current revenues is included in Grant XXVII—Electricity, whilst that which is financed from other sources is included in Grant XXXVI—Capital Outlay on Electricity Schemes.

Grant XXVII—Electricity.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
XLI. Receipts from electricity schemes—				
Working Expenses—				
Pykara hydro-electric scheme	15·44	17·12	·85	17·12
Mettur hydro-electric scheme	8·64	3·98	1·33	13·79
Vizagapatam scheme	1·43	1·50	1·74	1·66
Bezwada scheme	2·62	1·17	..	2·80
Cocanada scheme	·31	·97	·74	·86
West Godavari scheme	..	..	..	·51
Total ..	**28·44**	**24·74**	**4·66**	**36·74**
52. Interest on Capital Outlay on electricity schemes	25·42	29·56	29·20	32·70
52-A. Other Revenue Expenditure connected with electricity schemes—				
Establishment charges	·10	— ·38	·03	·22
Miscellaneous expenditure (including surveys)	·42	·22	·29	·58
Charges in England	·02	·35	·03	·35
Total ..	**·54**	**·19**	**·35**	**1·15**
53. Capital outlay on electricity schemes met out of Revenue—				
Amount transferred from 81-A. Capital outlay on electricity schemes	13·50	45·00	75·00	..
Grand Total ..	**67·90**	**99·49**	**109·21**	**70·59**

Expenditure.

XLI. Receipts from Electricity Schemes—Working Expenses.

569. As in the case of irrigation works, the working expenses of electricity schemes in operation are adjusted in reduction of the gross receipts, but they have to be included in a grant, since they are part of the expenditure from the revenues of the Province. Separate accounts of gross receipts and working expenses are maintained in respect of each main scheme. The working expenses are accounted for under the following heads :—

Works expenditure financed from ordinary revenues.

Maintenance proper.

Provision for depreciation including transfers to and from the depreciation and special reserve funds established for each system.

Establishments.

Tools and plant.

Suspense.

Charges in England.

570. *Works expenditure financed from ordinary revenues.*—The cost of improvements and additions not chargeable to capital and the write-off of the capital value of replaced stock after taking the salvage value into account are shown under this head.

Reference to pages in the Detailed Annual Estimate of Expenditure.

396–418

571. *Maintenance proper.*—Under this head are shown the maintenance and miscellaneous expenses including the cost of the establishment charged to the work, the annual contribution to the Electrical Research Association, London, on the basis of receipts, and recoveries from municipalities for managing their electrical undertakings and from other departments of Government for work done for them which are taken in reduction of expenditure.

572. *Provision for depreciation.*—The provision for the annual contribution to the depreciation and special reserve funds is made under this head (see paragraph 718) as also for renewals and replacements financed from these funds, the amounts transferred from the latter being adjusted in reduction of expenditure under this head.

573. *Establishments.*—Under this head are shown the pay and allowances of the establishments employed for working the schemes.

574. *Suspense.*—This minor head is intended to cover transactions relating to London stores, bills, advances to cover the cost of electrical appliances to power consumers, and the recoveries effected from them which are taken in reduction of expenditure.

575. *Charges in England.*—The leave salaries and sterling overseas pay drawn in England are debited to this minor head.

52. Interest on Capital Outlay on Electricity Schemes.

576. The object of this debit is explained in paragraph 321.

52-A. Other Revenue Expenditure connected with Electricity Schemes.

577. *Establishment Charges.*—The expenditure on account of the Chief Engineer for Electricity and other headquarters supervising staff and on account of the pay and allowances of special staffs employed for investigation of new projects is debited initially to this minor head and is subsequently transferred to other heads and schemes (inclusive of municipal schemes executed by the Electricity Department) in varying percentages in proportion to the services rendered to each. Such recoveries are adjusted in reduction of expenditure under this minor head and consequently the final effect is generally a credit under this minor head instead of a debit.

578. *Miscellaneous expenditure (including surveys).*—The cost of survey apparatus and materials and expenditure on contingencies including customs duty on stores, advertisement charges, cost of prints for specification and grid maps are debited to this head. The expenditure incurred on field work connected with the investigation of new electricity projects, except for the pay and allowances of the staff, is also debited to this minor head.

579. *Charges in England.*—Expenditure on leave salaries and deputation pay and on the purchase of stores in England is debited to this minor head.

53. Capital Outlay on Electricity Schemes met out of Revenue.

580. *Amount transferred from 81-A Capital Outlay on Electricity Schemes.*—The expenditure on capital outlay on electricity schemes is shown under the major head 81-A. Capital outlay on electricity schemes included under grant XXXVI. Such portion of the capital outlay as the Government may decide to finance from current revenues in any year is transferred from the capital to the revenue section of the accounts and shown under this head.

Explanation of variations.

581. *General Remarks.*—The value of stock of electricity stores on 31st March 1941 was transferred in the current year from the Revenue account to the suspense head under the Capital account. This mainly accounts for the large decrease under working expenses in the revised estimate for 1941–1942. Variations due to other causes are explained below.

582. *Pykara Hydro-Electric Scheme.*—There is an increase in the working expenses, which is due mainly to (i) write-back of the cost from Capital to Revenue of the transformers supplied to five mills in the Coimbatore district, and (ii) large decrease in works

Reference to pages in the Detailed Annual Estimate of Expenditure.

constructed by operating organizations and the consequent decrease in the credit taken for charges recoverable from Governments, Departments and others. Almost the whole of the working expenses was offset by the special credit referred to under General remarks.

396–418

583. *Mettur Hydro-Electric Scheme.*—There is an increase of nearly Rs. 5 lakhs in the working expenses in the revised estimate for 1941–1942. This is mainly due to—

(i) increase in the provision for contribution to the depreciation and special reserve funds as Government decided that contribution should be made for the whole of the Mettur system instead of on certain subsidiary schemes transferred from Pykara system to Mettur; and

(ii) increase in prices of materials due to the war and to increase in operation and maintenance charges due to development of load. As under the Pykara system, almost the whole of the working expenses was offset by the speeial credit referred to under general remarks. See paragraph 581.

The further increase in the budget estimate for 1942–1943 is due mainly to the increase in the contribution to the special reserve fund from ½ per cent to 1 per cent for the whole of the Mettur system.

584. *Vizagapatam scheme.*—The expenditure on air raid precautions accounts for the increase in the estimates.

585. *Bezwada scheme.*—There is an increase in the working expenses in 1941–1942 owing to larger provision under maintenance and other charges and suspense account due to the development of load in the area served by the system. The whole of the working expenses was offset by the special credit referred to under General remarks. See paragraph 581.

586. *Cocanada scheme.*—The decrease in the revised estimate is due to restricted load development and consequent reduction of expenditure on account of maintenance and other charges and establishments.

587. *West Godavari scheme.*—The scheme is expected to commence operation from 1st July 1942 and the budget estimate for 1942–1943 provides for operation and maintenance expenses from that date.

52. Interest on capital outlay on electricity schemes.

The variations in the figures are explained in paragraph 326.

52-A. Other revenue expenditure connected with electricity schemes.

588. *Establishment charges.*—The increase in the revised estimate is mainly due to the pay of the Consulting Engineer to Government not provided for in the budget and to the recoveries from capital works being less than anticipated. The budget estimate for 1942–1943 does not provide for the pay of the Consulting Engineer but makes provision towards the cost of staff connected with the detailed investigation of the Machkand hydro-electric scheme.

589. *Miscellaneous expenditure (including surveys).*—The budget estimate for 1942–1943 provides for expenditure connected with the detailed investigation of the Machkand hydro-electric scheme.

590. *Charges in England,*—The provision made in the budget estimate for 1941–1942 for the leave salary of the Consulting Engineer was not utilized. The budget estimate for 1942–1943 provides for his leave salary.

53. Capital outlay on electricity schemes met out of revenue.

591. *Amount transferred from 81.-A. Capital outlay on electricity schemes.*—The estimates provide for the transfer to the revenue account of a portion of the capital outlay on electricity schemes amounting to Rs. 75 lakhs in 1941–1942.

Grant XXVIII—Famine.

	Accounts, 1940–1941.	Budget, Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.	Reference to pages in the Detailed Annual Estimate of Expenditure.
54. Famine—					419-420
Famine Relief—					
Salaries and establishments	·02	·10	·11	·15	
Relief works	·16	·50	1·35	1·95	
Gratuitous relief	..	·10	·10	·30	
Miscellaneous	·10	·30	1·60	·60	
Charges in England	..	..	..	..	
Total ..	**·28**	**1·00**	**3·16**	**3·00**	
Deduct—Amount transferred from Famine Relief Fund	..	..	..	..	
Total ..	·28	1·00	3·16	3·00	
Transfers to Famine Relief Fund ..	..	..	..	..	
Grand Total ..	**·28**	**1·00**	3·16	3·00	

Expenditure.

The major head 54. Famine is divided into two sub-major heads, namely :—

Famine Relief, and

Transfers to Famine Relief Fund.

Famine Relief.

592. Famine for purposes of debit of expenditure to this head covers distress due to drought and other natural causes, such as floods, cyclones, fires, epidemics, earthquakes and similar calamities.

All expenditure incurred directly by the Government for the relief of distress, both during the period of observation and test and after the formal recognition of famine is debited to the appropriate minor heads in this section. Indirect expenditure, e.g., on an increase of the police force, medical aid, compensation to Government servants for dearness of provisions, grants to district boards for road works to relieve unemployment, etc., is debited to the appropriate service heads concerned and not to the head Famine Relief.

593. *Salaries and establishments.*—The pay, allowances and contingent expenditure of Government servants employed on famine relief for whom substitutes are appointed for the performance of their regular work and of special establishments entertained for famine relief and charges at 2 per cent on works outlay for supervision of the works by the higher officers of the Public Works Department are debited to this minor head.

594. *Relief works.*—Expenditure on all works undertaken by the Government directly for famine relief, and controlled and managed under the conditions applicable to test and relief works as laid down in the Madras Famine Code, is debited to this minor head, whether or not the work is one which at some time or other would have been undertaken irrespective of the occurrence of famine. But if the work is a revenue-producing one, in respect of which a capital account is kept, the value of the work done, reckoned at the ordinary rates, is charged to the ordinary head of account and the excess only is debited to this head. Similarly, public works undertaken in consequence of the occurrence of famine, but not conducted according to the conditions applicable to test and relief works, are treated as ordinary works and the cost is debited to the ordinary heads of account, except that any expenditure in excess of normal rates incurred in consequence of the employment, to afford relief, of unskilled and unprofitable labour is debited to this head.

595. *Gratuitous relief.*—Expenditure on gratuitous relief, i.e., relief given not as payment for work done but in kind or in money, at Government camps or other institutions, at the houses of the people and elsewhere is debited to this minor head.

Reference to pages in the Detailed Annual Estimate of Expenditure.

419–420

596. *Miscellaneous.*—To this minor head is debited the expenditure on advances made in connexion with relief work subject to later adjustment, on measures taken for the protection of cattle during famine, e.g., purchase and distribution of fodder or purchase and maintenance of cattle to prevent good breeds dying out, etc., on the payment of compensation to railway companies in respect of the difference between ordinary and concessional rates of freight on fodder transported to areas suffering from fodder famine irrespective of the existence of general famine and on grants distributed to sufferers from general or sporadic floods, cyclones, fire, epidemics, earthquakes, etc. All other expenditure on the relief of distress which is not debitable to any other specific minor head, such as the case of measures for the relief of weavers and the like, is also debited to this head.

597. *Charges in England.*—The sterling overseas pay drawn by Government servants entitled to it and employed on famine relief is debited to this minor head.

598. *Deduct—Amount transferred from Famine Relief Fund.*—Any amount which the Government may decide to finance from the Famine Relief Fund in respect of the expenditure debited to the foregoing minor heads is adjusted in reduction of expenditure.

Transfers to Famine Relief Fund.

599. The contributions to the Madras Famine Relief Fund from revenues prescribed in the Madras Famine Relief Fund Act are debited to this minor head—See paragraph 717.

Explanation of variations.

600. *Famine relief.*—The revised estimate includes provision for the relief of distress caused by floods and cyclone in Malabar, South Kanara and South Arcot districts, for relief measures for those affected by cyclone in the Laccadive and Amindivi Islands and for expenditure on test works and famine relief operations in parts of Bellary and Kurnool districts where the seasonal conditions have deteriorated. In addition to the normal provision of Rs. 1 lakh, the budget estimate for 1942–1943 includes provision for relief works in Bellary and Kurnool districts, as the seasonal distress is likely to continue till the end of July 1942.

Grant XXIX—Pensions.

421–424

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
55. Superannuation allowances and pensions—				
Superannuation and retired allowances.	85·05	88·25	89·50	94·30
Equated payments of commuted value of pensions transferred from Capital (outside the revenue account) ..	2·09	..	..	..
Compassionate allowances	·44	·40	·47	·47
Gratuities	·70	·80	·80	·86
Donations to provident funds ..	·31	·36	·31	·31
Government contribution payable under the Indian Civil Service Family Pension Rules	·02	·02	·02	·02
Covenanted Civil Service pensions (Annuities)	·74	·69	·95	·99
Concession grants in respect of past contributions to Annuities ..	·01	..	·01	·01
Charges in England	22·48	23·21	22·80	23·41
Loss or gain by exchange	·04	..	·08	..
Deduct—Pensionary charges transferred to commercial departments.	— 1·78	— 1·76	— 1·77	— 1·69
Total ..	**110·10**	**111·97**	**113·17**	**118·68**
55-A. Commutation of pensions financed from ordinary revenues—				
Amount transferred from 83. Payments of commuted value of pensions	1·40	1·25	·35	1·40
Grand Total ..	**111·50**	**113·22**	**113·52**	**120·08**

Expenditure.

Reference to pages in the Detailed Annual Estimate of Expenditure.

601. *Superannuation and retired allowances.*—Under the rules governing the grant of pensions, pensions are awarded to officers who are entitled or compelled by rule to retire at a particular age, or who are permitted to retire after completing qualifying service for thirty years or such less time as may be prescribed for any special class of officers, or who, by bodily or mental infirmity, are permanently incapacitated for the public service or who are discharged on the abolition of posts due to reduction of establishment and for whom other suitable employment under the Government cannot be found. Such pensions are debited to this head. 421-424

602. *Compassionate allowances.*—Allowances granted to officers removed for misconduct, insolvency or inefficiency, and to officers wounded and to the families of officers killed in the discharge of their duties, are debited to this head.

603. *Gratuities.*—Under this head are shown the gratuities paid to Government servants retiring prematurely and those payable in exceptional circumstances to the indigent families of deceased Government servants.

604. *Donations to provident funds.*—The contributions payable by the Government in respect of the provident fund accounts of non-pensionable employees of the Government or of local funds, such as Port and Marine funds, who are subscribers to the Contributory Provident Fund (Madras) are debited to this head. The contributions in respect of local fund employees are recovered from the funds and credited to XLIV. Receipts in aid of superannuation—Miscellaneous.

605. *Government contribution payable under the Indian Civil Service Family Pension Rules.*—Payments made in India on account of the Madras Government's share of the contribution to the Indian Civil Service Family Pension Scheme are debited to this head.

606. *Covenanted Civil Service pensions (Annuities).*—The annuities paid in India to retired officers of the Indian Civil Service are debited to this head.

607. *Concession grants in respect of past contributions to Annuities.*—Refunds of 4 per cent annuity deductions made from the pay of Indian Civil Service officers prior to the 1st April 1919 are shown under this head.

608. *Charges in England.*—All payments in England in respect of general pensions, annuities, compassionate allowances and gratuities, passage gratuities, pensions of military officers in respect of civil employment and Government contributions to the Indian Civil Service Family Pension Fund are debited to this head.

609. *Loss or gain by exchange.*—The transactions relating to the Provincial Government which take place in England are in sterling, but are represented in the budget and the accounts in India in terms of rupees converted at the statutory rate of £1 = Rs. 13-5-4 (i.e., 1*s*. 6*d*. per rupee). The real rupee equivalent of the sterling transactions in a calendar month is, however, calculated separately on the basis of the average of the daily Calcutta telegraphic transfer rates on London during the month. This equivalent will be less or more than the one at the statutory rate, according as the monthly average exchange rate is more or less than 1*s*. 6*d*. per rupee. The difference between the two equivalents is booked in the Indian accounts under the minor head 'Loss or gain by Exchange' under all major heads of revenue and expenditure from revenue in respect of which sterling transactions occur. When the actual rupee equivalent is more than the statutory equivalent, the excess is booked as a gain if it relates to receipts and as a loss if it relates to expenditure. If it is less, the procedure is reversed.

The effect of exchange on sterling transactions relating to superannuation allowances and pensions is booked under this head.

610. *Deduct—Pensionary charges transferred to commercial departments.*—The pensionary charges relating to the Irrigation and Electricity Departments are assessed every year at a percentage of the establishment charges in the year and are debited to the respective heads of account (viz., XVII. Irrigation—Working expenses, 19. Irrigation, 68. Irrigation, XLI. Receipts from electricity schemes—Working expenses and 81A. Capital outlay on electricity schemes). As the actual pensions paid to Government servants who had served in those departments are debited to the head 55. Superannuation allowances and pensions, a credit corresponding to the debits under the heads mentioned is given to this head.

611. *Equated payments of commuted value of pensions transferred from Capital (outside the revenue account).*—As explained in paragraph 679 *infra*, the net amount paid by way of commutation of pensions and debited under the head 83. Payments of commuted value

Reference to pages in the Detailed Annual Estimate of Expenditure.

of pensions is repaid from revenue either in a lump sum or by a system of equated payments, including interest on capital invested. The equated payments in respect of the amount paid by way of commutation in a year begin from the following year and are debited to this minor head—

421–424

55-A. *Commutation of pensions financed from ordinary Revenues.*

Amount transferred from 83. *Payments of commuted value of pensions.*—See paragraph 679.

EXPLANATION OF VARIATIONS.

612. *Superannuation allowances and pensions—Superannuation and retired allowances.*—The revised estimate for 1941–1942 is based on the progress of actuals, while the budget estimate for 1942–1943 allows for normal growth in the pension list.

613. *Covenanted Civil Service pensions—Annuities.*—The expenditure under this head varies with the number of retired officers of the Indian Civil Service drawing their annuities in India from time to time.

614. *Charges in England.*—The revised estimate for 1941–1942 is based on the progress of actuals in the current year. The budget estimate for 1942–1943 allows for the normal growth of pensions paid in England.

615. *Amount transferred from* 83. *Payments of commuted value of pensions.*—The estimates provide for payments from current revenues of the net expenditure on commutation of pensions in 1941–1942 and 1942–1943.

Grant XXX—Stationery and Printing.

425–437

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
56. Stationery and Printing—				
Stationery—				
Stationery office	·79	·79	·82	·81
Purchase of stationery stores ..	15·30	8·92	14·12	14·44
Deduct—Value of stationery supplied to other Governments and paying departments ..	— ·10	— ·15	— ·15	— ·15
Charges in England	2·36	·30	1·06	·21
Total ..	**18·35**	**9·86**	**15·85**	**15·31**
Printing—				
Government Presses	10·44	11·00	11·07	9·96
Printing at private presses	·95	1·44	·96	2·61
Charges in England	·25	·45	·39	·60
Total ..	**11·64**	**12·89**	**12·42**	**13·17**
Grand Total ..	**29·99**	**22·75**	**28·27**	**28·48**

Expenditure.

STATIONERY.

616. The expenditure shown in this section is that incurred by the Stationery Department on stationery, typewriters and other articles for distribution to departments of the Government of Madras and sale to departments of the Central Government, other Provincial Governments, local bodies and others.

617. *Stationery office.*—As explained in paragraph 256 three-quarters of the cost of the combined establishment for the Stamp and Stationery offices is debited to this head.

Reference to pages in the Detailed Annual Estimates of Expenditure.

618. *Purchase of stationery stores.*—Under this minor head is shown the expenditure on the purchase of stationery stores, typewriters and other articles in India, and the customs duty on imported stores.

619. *Deduct—Value of stationery supplied to other Governments and paying departments.*—Recoveries on account of the cost of stationery supplied by the Superintendent of Stationery from the Provincial Stationery Stores to other Governments, and to commercial and other paying departments, namely, the Irrigation and Electricity Departments, are shown as reduction of expenditure under this head. 425–437

620. *Charges in England.*—The expenditure incurred in England on the leave and other allowances of the Assistant Superintendent of Stationery, Madras, and on the purchase of paper and other stationery articles is debited to this head.

PRINTING.

621. *Government Presses.*—Under this minor head is shown the expenditure connected with the Government Press at Mint Buildings with its High Court section and the Penitentiary branch; the annual provision for the depreciation of the plant and machinery at the Government Presses and for renewals and replacements from the Government Press Depreciation Reserve Fund; the cost of stores required for the Government Presses purchased in India; the expenditure on the carriage of gazettes and forms; the cost of blocks and maps, and other charges, such as the expenditure on additions to plant and machinery and customs duty paid on imported stores and machinery for the presses.

622. *Printing at private presses.*—On account of pressure of work at the Government Presses or for other reasons, Government printing work is at times entrusted to private presses by or on the advice of the Superintendent, Government Press. Such work relates mostly to the Judicial, Police and Public Health Departments and electoral rolls of the Legislature and of local bodies.

623. *Charges in England.*—The expenditure incurred in England on leave salary of the officers employed in the Government Presses, Sterling Overseas pay of the Superintendent, Government Press and on stores and machinery is debited to this head.

EXPLANATION OF VARIATIONS.

Stationery.

624. *Purchase of stationery stores.*—The increase in the estimates is due to the large quantity of paper required for printing electoral rolls and increase in the cost of all stationery articles especially paper.

625. *Charges in England—Stationery.*—The increase in the revised estimate, 1941–1942, is chiefly due to the cost of stores which were not delivered in time for payment during the year 1940–1941 but which were actually paid for in 1941–1942.

Printing.

626. *Government Presses.*—The decrease in the budget estimate, 1942–43, is mainly due to the decision not to provide for the year 1942–1943 for depreciation of Government presses.

627. *Printing at private presses.*—The decrease in the revised estimate, 1941-1942, is mainly due to lapse of provision made for the revision of electoral rolls and for the printing of coloured posters and posters in Indian languages for giving publicity to activities of the Agricultural department. The increase in the budget estimate, 1942-1943, is due to provision having been made for these items.

628. *Charges in England.*—The estimates include provision for the sterling overseas pay sanctioned in the current year for the Superintendent, Government Press. The increase in the budget estimate is due to the provision for stores indented for in the current year, but which are expected to be supplied only in 1942–1943.

Reference to pages in the Detailed Annual Estimate of Expenditure.

Grant XXXI—Miscellaneous.

438–447 629. The expenditure booked under the heads mentioned below is included in this grant :—

57. Miscellaneous.

63. Extraordinary charges.

64-A. Transfer to Revenue Reserve Fund.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
57. Miscellaneous—				
Expenditure on account of State prisoners and detenus	·02	·03	·04	·04
Cost of books and periodicals	..	..	..	..
Donations for charitable purposes ..	1·06	1·13	1·14	1·15
Irrecoverable temporary loans and advances written off	·13	·15	·37	1·20
Rents, rates and taxes	·22	·21	·21	·21
Contributions	6·96	3·41	18·43	25·04
Miscellaneous compensations	..	..	..	..
Miscellaneous and unforeseen charges ..	·49	·57	12·46	17·25
Charges in England	.03	..	·05	·05
Total ..	**8·91**	**5·50**	**32·70**	**44·94**
63. Extraordinary Charges—				
Charges in India (Charges incurred as a direct result of the War)	·01	..	·65	— ·09
64-A. Transfer to Revenue Reserve Fund ..	58·50	36·00	..	..
Grand Total ..	**67·42**	**41·50**	**33·35**	**44·85**

Expenditure.

57. MISCELLANEOUS.

The major head 57. Miscellaneous is intended to record expenditure which it is not found possible to bring into account under any of the descriptive major heads.

630. *Expenditure on account of State prisoners and detenus.*—Allowances paid to certain Mappilla prisoners after release from detention and personal or family allowances to those restricted or detained under the Defence of India Rules are debited to this head.

631. *Cost of books and periodicals.*—This head is intended for works of general utility not required in a particular department. This Government's share of the cost of books and periodicals supplied to the High Commissioner for India, adjusted by the Accountant-General, Central Revenues, is debited to this head.

632. *Donations for charitable purposes.*—Certain longstanding fixed payments to private individuals for religious and charitable purposes, such as for reading Koran in mosques, allowances to kazis, maintenance of water pandals for travellers and cattle, miscellaneous expenditure, such as that on repatriation of undesirables and vagrants and maintenance of non-Asiatic vagrants who may be sent from this Presidency to the workhouse at Bombay, expenditure incurred by District Magistrates and the Commissioner of Police in sending back destitute children and those from remand homes to their guardians, burial charges of paupers, and grants (usually of a fixed amount) to the undermentioned public and charitable institutions and the like are debited to this minor head :—

Monegar Choultry in Madras and certain choultries in Anantapur, North and South Arcot and the Nilgiris, the Civil Orphans Asylum and the Society for the Protection of Children in Madras, the Friend-in-need Society in Madras and Ootacamund, the Muhammadan Gosha Women's Aid Society, the Triplicane lungarkhana and other lungarkhanas for Muhammadans in Arcot, Kurnool, Nellore and Vellore, the Salvation Army's Rescue Home for Women in Madras, the Madras Vigilance Association and the Holy Angels Convent, Kumbakonam.

633. *Irrecoverable temporary loans and advances written off.*—When a loan or advance has to be written off as irrecoverable, the loss has to be made good to the advance head from revenues. The expenditure so incurred is debited to this head by *per contra* credit to the advance head.

Reference to pages in the Detailed Annual Estimate of Expenditure.

438–447

634. *Rents, rates and taxes.*—Rents, rates and taxes on buildings jointly occupied by several offices, which it is not possible to distribute among each, are debited to this head.

635. *Contributions.*—Under this minor head is shown the expenditure on payments to compensate the loss, if any, incurred on account of posts and telegraphs offices and railway lines opened for the administrative convenience of the Madras Government, compensation payable to local authorities under section 13 of the Madras Entertainments Tax Act, 1939, contributions in aid of the general balances of impecunious local bodies, contribution to local bodies as additional compensation for loss of toll income, grants to local bodies for compensation for loss of income due to the Profession Tax Limitation Act and all other special contributions, if any, which cannot be debited to any other head of account.

The only fixed contribution to a local body at present is a sum of Rs. ·87 lakh per annum given to the Nilgiri District Board.

636. *Miscellaneous compensations.*—This head provides for certain small fixed payments of long standing, mainly to local bodies, for the maintenance of chatrams, etc.

637. *Miscellaneous and unforeseen charges.*—This head records charges which cannot be booked under any other head of account, e.g., expenditure on account of the visits of high personages, rewards for the destruction of wild animals and reptiles which menace human life, cattle or crops; travelling and maintenance charges of indigent persons bitten by rabid animals who proceed to the Pasteur Institute, Coonoor, for treatment and compensations to Government servants for loss of property incurred in the discharge of their duties, rewards for information relating to lost or stolen properties of Government or escheats and rewards for saving life, maintenance charges of abandoned children, expenditure on demarcation of boundaries adjoining other provinces or States, losses of cash due to acceptance of counterfeit coins in Provincial treasuries under such circumstances that it is impossible to recover the amount from the persons at fault, etc.

The expenditure on Madras Provincial War Committee and District War Committees and their Sub-Committees and on relief of distress among weavers is recorded under this head.

638. *Charges in England.*—Miscellaneous charges connected with the supply of stores to the Madras Government and the cost of books and publications which are not for any specific department, are debited to this head.

63. Extraordinary Charges.

639. The major head 63. Extraordinary charges records extraordinary payments which it may be desirable to distinguish from the ordinary expenditure of the Province.

640. *Charges incurred as a direct result of the war.*—The charges incurred in this Province as a direct result of the war on account of enemy subjects and on the establishment and other charges connected with the Petrol Rationing Scheme are debited to this head and ultimately recovered from the Central Government.

64-A. Transfer to Revenue Reserve Fund

641. A Revenue Reserve Fund was constituted in 1940–1941 for crediting the surplus yield of the Commercial Taxes levied from 1939–1940 after meeting the cost of prohibition. The amount to be transferred to the Fund in any year is shown under this head.

Explanation of variations.

642. *Irrecoverable temporary loans and advances written off.*—The increase in the revised estimate, 1941–1942, is mainly due to debit to this head of the amount representing cost of survey written off as irrecoverable from the ryots of the Palakonda Agency villages in Vizagapatam district. The budget estimate, 1942–1943, includes a provision of Rs. 1 lakh for write off of irrecoverable arrears of loans sanctioned for the acquisition of house-sites to communities eligible for help by the Labour department.

643. *Contributions.*—The estimates provide for a contribution of Rs. 15 lakhs to local bodies for loss of income from tolls and the budget estimate, 1942–1943, allows for a further contribution of Rs. 6·67 lakhs for loss of income due to the operation of the Profession-tax Limitation Act.

Reference to pages in the Detailed Annual Estimate of Expenditure.

438–447 644. *Miscellaneous and unforeseen charges.*—The increase in the revised estimate 1941–1942, is mainly on account of (1) increased expenditure on account of the, Madras Provincial War Committee and its Sub-Committees (1·53 lakhs being provided for the purchase of propaganda vans alone) and (ii) provision of Rs. 8·97 lakhs for the scheme for the relief of distress among the weavers of Salem. The increase in budget estimate, 1942–1943, over the revised estimate, 1941–1942, is due to larger provision for the relief of distress among weavers.

645. 63. *Extraordinary charges.*—The increase in the revised estimate is due to the inclusion of provision for establishment and other charges connected with the Petrol Rationing scheme. These charges are recovered from the Government of India on a calendar year basis. The estimated recovery in 1942–1943 is larger than in 1941–1942. Hence there is a net decrease in expenditure.

646. 64-*A. Transfer to Revenue Reserve Fund.*—The Government have decided not to contribute to the Fund from the current year.

Grant XXXII—Civil Defence.

Reference		Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
448–454	64. B. Civil Defence—				
	Expenditure on Air Raid Precautions	·76	..	45·00	60·00
	Charges in England	..	..	·09	·10
	Total ..	**·76**	..	**45·09**	**60·10**

647. This major head records the expenditure on Air Raid Precaution measures, Civic guards, refugees, evacuees and works and miscellaneous items connected with Civil Defence.

648. *Charges in England.*—Represents the sterling overseas pay of officers of the Air Raid Precautions Service.

Explanation of variations.

649. The budget estimate for 1941–1942 provided a sum of Rs. ·50 lakh for expenditure on Air Raid Precautions and also took credit for a recovery of the same amount from the Central Government.

Owing to the deterioration in the war situation in the Far East, large provision as in the summary has been made for various items of expenditure on Civil Defence. In view of the latest arrangement proposed by the Government of India, it is anticipated that the full expenditure in 1941–1942 and 1942–1943 will have to be borne by the Provincial Government. No credit has therefore been taken for any recovery of charges from the Central Government.

Grant XXXIII—Capital Outlay on Irrigation.

Reference		Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
455–457	68. Construction of Irrigation, Navigation, Embankment and Drainage Works—				
	Irrigation Works—Productive—				
	Works	2·37	1·20	— 1·00	1·56
	Establishment	·33	·03	·12	·04
	Suspense	— ·04	— ·01	— ·95	..
	Deduct—Receipts and Recoveries on capital account	— ·73	— ·06	— ·30	— ·06
	Lump addition for regrant of lapses.	..	·01	..	·01
	Probable savings	..	— ·02	..	— ·02
	Charges in England	·02	·01	·01	..
	Total—Productive ..	**1·95**	**1·16**	**— 2·12**	**1·53**
	Irrigation Works—Unproductive—				
	Works	..	..	..	..
	Establishment	..	..	..	..
	Total—Unproductive ..	..	..	..	..
	Grand Total ..	**1·95**	**1·16**	**— 2·12**	**1·53**

Expenditure.

Reference to pages in the Detailed Annual Estimate of Expenditure. 455–457

650. Projects for irrigation, navigation, embankment and drainage for which capital and revenue accounts are kept are of two classes—

(1) Productive ; and

(2) Unproductive.

Productive public works are works of a remunerative character undertaken for the improvement of the country. Their first cost is usually met from borrowed money and they are expected after a certain period to yield enough revenue to meet the interest charges on the capital and the cost of working and maintenance. The outlay is sometimes met from revenues or from the Famine Relief Fund—see paragraph 288.

Unproductive public works include those which, although not directly remunerative, are calculated to guard against expenditure which would otherwise probably be incurred in the future on relief of the population, and those which are undertaken for the general improvement of the country, or for general administrative purposes.

651. The cost of special establishments for the execution of irrigation projects and the pensionary charges in respect of such special establishments are shown under the minor head Establishment.

652. The cost of special tools and plant, if any, purchased for the use of irrigation projects is shown under the minor head Tools and Plant.

653. The minor head Suspense is reserved for the temporary recording of such transactions as must at once be taken to the account of the sanction or grant concerned, but cannot be cleared finally until a later date, either because the relevant payment, recovery or adjustment is awaited or because it is necessary to keep an effective watch over the values of any stock materials pending their final disposal. Expenditure on stock and other suspense accounts is sanctioned on the understanding that the outlay will be recovered and the temporary debit to suspense ultimately extinguished. The charges under a suspense account are taken in enhancement of the charges under the major head and the recoveries are taken in reduction of the charges. The figures against this minor head show the net effect of all transactions.

654. The receipts and recoveries on capital account, in so far as they represent recoveries of expenditure previously debited to the capital major head, are shown under the minor head Deduct—Receipts and Recoveries on Capital account.

EXPLANATION OF VARIATIONS.

655. *Irrigation works—Productive works.*—The decrease in the revised estimate for 1941–1942 is mainly due to larger realizations than were anticipated by the sale of special tools and plant purchased for the Cauvery-Mettur Project. These are taken in reduction of expenditure. The budget estimate for 1942–1943 takes credit for a comparatively small amount on account of sale of special tools and plant and provides for works in progress and for a new work, viz., extension of the wharf at Bezwada to below the girder bridge of the Kistna eastern delta main canal.

656. *Suspense.*—The increase in the revised estimate for 1941–1942 is due mainly to the adjustment under "50. Civil Works—Suspense" of the cost of surplus stock articles purchased for the Cauvery-Mettur Project. No such adjustment is expected in 1942–1943.

657. *Receipts and recoveries on Capital account.*—This item is of a fluctuating character.

Grant XXXIV.—Capital Outlay on Industrial Development and Civil Aviation.

The expenditure booked under the heads mentioned below is included under this grant :— 458–459

72. Capital outlay on Industrial Development.

72-A. Capital outlay on Civil Aviation.

Reference to pages in the Detailed Annual Estimate of Expenditure.
458–459

The following is a summary of the grant by minor heads :—

	Accounts, 1940-1941.	Budget Estimate, 1941-1942.	Revised Estimate, 1941-1942.	Budget Estimate, 1942-1943.
72. Capital outlay on Industrial Development— Cinchona	·45	·90	1·39	1·24
72-A. Capital outlay on Civil Aviation— Works	..	..	·24	..
Deduct—Capital expenditure financed from ordinary revenues ..	..	..	— ·24	..
Total ..	**·45**	**·90**	**1·39**	**1·24**

Expenditure.

658. *Capital outlay on Industrial Development.*—This head is intended to accommodate all new expenditure which the Government may decide to finance from sources other than current revenues in developing the undermentioned industrial undertakings :—

(1) The Kerala Soap Institute, Calicut ;

(2) The Industrial Engineering Workshops, Madras ; and

(3) The Government Cinchona Plantations, which consist of three blocks, namely, the Naduvattam, Dodabetta and Anamalais plantations.

The Kerala Soap Institute, the Industrial Engineering Workshops and the Naduvattam and Dodabetta Cinchona plantations having been fully developed, the amount of new capital invested in their further development in recent years has been small and was financed either from current revenues or from the amounts at the credit of their respective depreciation reserves for renewals and replacements, the transactions passing through the head 43. Industries (Grant XXI) in the Revenue Account and not through the present head. The Anamalais Cinchona plantations are also regarded as having become fully developed from 1939–1940. Expenditure not contemplated in the original schemes for the development of all the three plantations, such as extension of cinchona plantations in the Anamalais and the construction of permanent quarters and provision of protected water-supply for the labourers will be budgeted for under the present capital head 72. Capital Outlay on Industrial Development.

659. One special feature in respect of the Kerala Soap Institute, the Industrial Engineering Workshops and the Cinchona plantations is as follows :—

The cumulative capital outlay adopted for the purpose of calculating interest on it—see paragraph 321—takes into account the net profit or loss in respect of the concern in each year. If the result is a profit, the capital outlay is increased by the amount of the profit and, if it is a loss, it is decreased by that amount. This is only for *pro forma* purposes for calculating the interest. No credit or debit adjustment is made on this account under the head 72. Capital Outlay on Industrial Development.

660. *Capital outlay on Civil Aviation.*—This head is intended to exhibit all capital expenditure on civil aviation such as initial outlay on the purchase of land, and cost of construction of landing grounds, ærodromes, etc. At the end of the year, such portion of the expenditure recorded under this head as the Government may decide to charge against current revenues is transferred to the major head 44-A. Capital outlay on Civil Aviation within the Revenue Account.

Explanation of variations.

661. *Capital outlay on Industrial Development.*—The Government had decided to open an additional area of 1,110 acres of reserve forest land in the Anamalais for cinchona cultivation during the years 1940–1941 to 1945–1946. Besides providing for the maximum expenditure laid down for the year, the revised estimate for 1941–1942 also includes provision for certain operations in advance of the programme, construction of quarters for some members of the staff and the coolies and the reconstruction of the suspension bridge across the Pykara river. Hence the increase over the budget estimate for 1941–1942.

Reference to pages in the Detailed Annual Estimate of Expenditure.

The decrease in the budget estimate for 1942–1943 as compared with the revised estimate for 1941–1942 is mainly due to some of the operations programmed for next year being undertaken in the current year and to smaller expenditure anticipated on the construction of quarters. 458–459

662. *Capital outlay on Civil Aviation.*—The revised estimate for 1941–1942 represents the cost of acquisition of a landing ground at Coimbatore and improvements thereto. The entire expenditure will be met from the current revenues.

Grant XXXV—Civil Works outside the Revenue Account.

460

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
81. Capital Account of Civil Works outside the Revenue Account—Original Works—				
Buildings	8·32	13·09	9·22	14·13
Lumpsum deduction for probable savings.	..	— ·69	..	— ·75
Lump addition for regrant of lapses..	..	·05	..	·05
Total ..	8·32	12·45	9·22	13·43

663. An individual work, a group of works which are inter-dependent or a comprehensive programme of works relating to a single object or necessitated by a single cause may be treated as "one scheme" and debited to this capital head, if the total estimated cost is so large that it cannot reasonably be financed from current revenues. The cost of a scheme is not debited to this head unless it is more than Rs. 5 lakhs. This Grant includes the works outlay on such schemes. The establishment and tools and plant charges which are debited to this head after the close of the year are included in Grant XXV. Civil Works—Establishment and Tools and Plant, as explained in paragraph 559.

664. The schemes the cost of which is being debited to this capital head at present are—

(1) Comprehensive housing scheme for the Police.
(2) Remodelling of the General Hospital, Madras.
(3) The Trichinopoly Hospital.
(4) The Madura Hospital.
(5) The Cocanada Hospital.
(6) The Calicut Hospital.
(7) The construction of an out-patient block, maternity block, X-ray block, twin operation theatre, kitchen, children's ward and extension to the pathological block in the Vizagapatam Hospital.
(8) The construction of buildings for the Stanley Medical College, Madras.

Lumpsum deduction for probable savings.—This is explained in paragraph 551.

Lump addition for regrant of lapses.—This is explained in paragraph 554.

Explanation of variations.

665. *Original Works—Buildings.*—The decrease in the revised estimate for 1941–1942 is due to the postponement of some works on account of the shortage of iron and steel and to the late commencement of certain other works due to delay in land acquisition and other causes. The budget estimate for 1942–1943 provides for larger expenditure on works in progress and also for the following new schemes :—

(i) Construction of additional quarters for Police staff.
(ii) Construction of buildings for the headquarters hospital at Tuticorin.

666. *Lumpsum deduction for probable savings.*—The budget estimate for 1942–1943 allows for a 5 per cent savings on works in progress and 10 per cent on new works.

Reference to pages in the Detailed Annual Estimate of Expenditure.
461–478

Grant XXXVI—Capital Outlay on Electricity Schemes.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
81-A. Capital outlay on electricity schemes—				
Pykara hydro-electric scheme	12·44	12·00	24·39	9·69
Mettur hydro-electric scheme	7·63	14·19	21·88	3·93
Papanasam hydro-thermal project	30·36	43·80	41·74	16·74
Vizagapatam thermal station	·44	3·27	2·70	9·35
Bezwada thermal station	1·35	7·95	7·06	6·23
Cocanada thermal station	4·39	·58	·35	·23
West Godavari district electrification scheme.	..	3·86	5·56	1·81
Lump deduction for probable savings ..	..	— 4·28	..	— 2·25
Gross Total ..	**56·61**	**81·37**	**103·68**	**45·73**
Deduct—Amount financed from ordinary revenues	— 13·50	— 45·00	— 75·00	..
Net Total ..	**43·11**	**36·37**	**28·68**	**45·73**

Expenditure.

667. Expenditure of a capital nature on hydro-electric and thermo-electric schemes during the construction period and the subsequent expansion is debited to this major head. Such portion of the capital expenditure as the Government may decide to finance from current revenues in any year is transferred from the capital to the revenue section of the accounts by a deduct entry under this head—see paragraph 580. Expenditure on ordinary extensions and improvements, which are not of the nature of expansion but are intended to improve the service, is debited to the head XLI. Receipts from electricity schemes—Working expenses, included in Grant XXVII. Electricity (vide paragraph 570).

Separate accounts of capital outlay are maintained for each major scheme. They show the expenditure under the minor heads Works, Establishment, Tools and Plant, Suspense and Receipts and Recoveries on capital account. Under the head Works is shown all expenditure on the work (except that coming under Establishment and Tools and Plant) including the cost of materials and labour. The cost of the establishments employed for the execution of the scheme including the cost of supervision is shown under the minor head Establishment, while the cost of special tools and plant and other similar materials is shown under the head Tools and Plant. All receipts realized from the project during the construction period, i.e., before operation accounts are opened, are credited under the head Receipts and Recoveries on capital account and taken in reduction of the capital expenditure.

Explanation of variations.

668. *General.*—The increase in the revised estimate for 1941–1942 is due to the transfer of the value of stock of electrical stores from the revenue account to the suspense head under the capital account *vide* paragraph 581. The increase is partly offset by savings in the blanket grant provision for extension schemes as expenditure had to be restricted in view of the need for economy in the use of steel and other materials due to war conditions. Explanations for variations due to other causes in respect of each scheme are given below.

669. *Pykara Hydro-Electric Scheme.*—There is an increase in the revised estimate in the provision under supply of power to the West Coast to meet the charges on account of land acquisition and articles already ordered and expected to be paid for during the current year; this is partly counter balanced by decrease in expenditure on account of the non-receipt of the 6th K.V.A. transformer ordered for Coimbatore.

The budget estimate for 1942–1943 provides for the following items :—

Reference to pages in the Detailed Annual Estimate of Expenditure.

461–478

	RS. LAKHS.
Increasing transformer capacities	2·03
Extension lines for distribution of power in the Pykara system ..	2·58
Extension of Pykara power to the West Coast	2·03
Lump-sum provision for the construction of transmission lines and other works for supply of power to intending consumers	2·00
Other miscellaneous items	1·05
Total ..	9·69

670. *Mettur Hydro-Electric Scheme.*—Apart from the variations mentioned in paragraph 668 there has been a reduction in the revised estimate due to large quantities of materials being devoluted from works to stock.

The budget estimate for 1942–1943 provides for the following items :—

	RS. LAKHS.
Fourth generating set at Mettur	2·19
Extension of distribution lines in the Mettur system	·97
Lump-sum provision for the construction of transmission lines and other works for supply of power to intending consumers	1·50
Suspense and other items	— ·73
Total ..	3·93

671. *Papanasam hydro-thermal project.*—The decrease in the revised estimate is due to—

(i) Postponement of second circuit line on Madura–Koilpatti section which is partly offset by increased expenditure under English stores owing to carry over of expenditure of previous years ;

(ii) larger credit under suspense due to limiting purchases to essential requirements and the issues from stock to works being larger ;

(iii) additional revenue (taken as abatement of expenditure) from service connexions.

The Budget Estimate for 1942–1943 provides for the following items :—

	RS. LAKHS.
Papanasam main scheme	15·40
Distribution of power in the Papanasam system	1·34
Total ..	16·74

672. *Vizagapatam thermal station.*—The decrease in the revised estimate for 1941–1942 is due to—

(i) credit on account of re-allocation of spares from works to stock ;

(ii) non-receipt of machinery owing to international situation.

The decrease is partly offset by an increased provision under cost of English stores due to carry over of expenditure.

The budget estimate provides Rs. 8,00,000 towards the cost and erection of machinery for the fourth generating set.

Reference to pages in the Detailed Annual Estimate of Expenditure.

461–478

673. *Bezwada thermal station.*—The decrease in the revised estimate is chiefly due to the non-receipt of machinery and equipment for the third generating set at Bezwada, offset by an increase under suspense as explained in paragraph 668. The budget estimate provides for the carry over of expenditure and for completion of the work relating to the third generating set at Bezwada.

674. *Cocanada thermal station.*—The decrease in the estimates is chiefly due to the restriction imposed by Government on extension schemes—see paragraph 668.

675. *West Godavari district electrification scheme.*—The revised estimate is based on the latest programme for execution of work while the budget estimate provides for completion of the balance of work.

676. *Lump deduction for probable savings.*—This is explained in paragraph 551.

677. *Deduct—Amount financed from ordinary revenues.*—The estimates provide for the proposed transfer to the Revenue account of a portion of the expenditure on capital outlay on electricity schemes amounting to Rs. 75 lakhs in 1941–1942.

678. A note by the Chief Engineer for Electricity on the progress made on the electricity schemes during 1941–1942 and the work which the department proposes to execute in 1942–1943 is printed below.

NOTE BY THE CHIEF ENGINEER FOR ELECTRICITY ON THE ELECTRICITY SCHEMES.

Progress made in 1941–1942.

The important items of progress during 1941–1942 are—

1. The satisfactory operation and maintenance of the Pykara electricity system and the increase in the load and revenue ;

2. the increase in the load and revenue of the Mettur electricity system, and the extension of power to supply important loads ;

3. further progress made on the civil works and transmission system of the Papanasam hydro-thermal scheme ; and

4. the construction of the West Godavari district electrification scheme, the supply of power to important loads in the Andhra power system and the completion of A.R.P. protective measures at the Vizagapatam power-house.

The execution of works and the general progress were considerably retarded on account of the war. The uncertainty and delay in the supply of materials from abroad, the scarcity and rise in prices of materials in local markets and the restrictions imposed by Government on the use of iron, steel and copper affected the activities of the department. All active canvassing of load was stopped in the later half of the year. In spite of these adverse conditions, there was a continued growth of load and revenue in all the power systems.

The total expenditure on capital works during the current year is expected to be Rs. 103·68 lakhs, against Rs. 56·61 lakhs in 1940–1941. Out of this, a sum of Rs. 27·48 lakhs is accounted for by the transfer of suspense to capital. The capital expenditure in 1942–1943 is expected to be Rs. 45·73 lakhs.

The total revenue from sale of power is expected to be Rs. 72·02 lakhs in the current year against Rs. 63·49 lakhs in 1940–1941. The revenue anticipated in 1942–1943 is Rs. 75·45 lakhs.

The Pykara electricity system.—1941–1942 is the ninth year of operation. The power station continued to function satisfactorily and the transmission lines and sub-station equipments were maintained in good condition. The construction of the lines to the cordite factory was completed and the lines energized. To meet additional loads, new or higher capacity transformers were installed at Tiruppur, Udamalpet, Koilpatti, Virudunagar and S ngara. Two new textile mills and one tea factory were connected to the system. Due to labour troubles a number of mills went on strike affecting the consumption of power and revenue. Owing to restriction in the use of iron and steel, the number of extensions executed was small.

The commercial subdivision and the show rooms at Coimbatore were closed down during the year. The scheme for the supply of power to the West Coast was ordered to be suspended except for land acquisition proceedings.

The peak load on the system was 28,800 K.W. as against 24,900 K.W. last year.

Reference to pages in the Detailed Annual Estimate of Expenditure.

The gross revenue by sale of power, etc., in 1941–1942 is expected to be Rs. 47·01 lakhs and that in 1942–1943 Rs. 47·68 lakhs.

The Mettur electricity system.—1941–1942 is the fourth complete year of operation. There was an appreciable increase in load and revenue. Supply in the system was satisfactory but for the serious interruption to the South Arcot licensee for seven days in December 1941, when, due to cyclone four transmission line towers between Vettavalam and Villupuram fell down. Service was resumed by erecting a temporary loop line. The main towers are being re-erected after repairs. The Mettur alternators were taken up for special repairs at an estimated cost of Rs. 23,000. The third 12,500 K.V.A. power transformer was erected and put into commission. Extensions to the Central Office buildings at Mettur are under construction. To meet the increasing load demand of the South Arcot licensee, the transformer capacity at Villupuram was increased. The Chingleput licensee and the Mettur Chemical Corporation were connected to the system during the year. Owing to war, there was considerable restriction in extension schemes.

The peak load in the system was 14,000 K.W. as against 12,300 K.W. last year.

The revenue by sale of power, etc., in 1941-1942 is expected to be Rs. 21·54 lakhs and that in 1942-1943 Rs. 23·20 lakhs.

The Papanasam hydro-thermal scheme.—The following is the progress of work in 1941–1942 :—

Thambaraparni dam.—Twenty-five per cent of the bulk of the Dam was built during the year completing 65 per cent of the work. The built-in parts for the discharge pipes were received and erected. Excavation for the surplus channel and approach sections was continued.

Diversion weir.—Eighteen per cent of the work was constructed during the year and the whole structure was completed. Intake arrangements and erection of operating machinery and gates were also completed.

Lower pressure pipe line and penstock pipe lines.—The erection of the low pressure pipe line and the penstock pipes was completed. Manifold and surge tank base were erected and tested and the air valves fitted up.

Power house.—Erection of the steel frames was completed in the first half of the year. Walls and roof were completed by the end of the year. All civil works are nearing completion. Foundations for all switchgear structures and plinths for transformers and other equipments were completed.

Machinery and plant.—Three 7,250 K.V.A. transformers and parts of switchgear were received.

Construction power-house and distribution of power in the West Tinnevelly area.—The construction power-house in addition to serving the needs of works is supplying power to several Panchayat distribution schemes. Four more panchayat areas were supplied with power in 1941–1942. Further extensions had to be abandoned due to war restrictions.

Transmission lines and sub-stations.—The Koilpatti–Kayattar–Papanasam 66 K.V. double circuit line and Kayattar–Tuticorin 66 K.V. single circuit line were completed. The Koilpatti-Kayattar and Kayattar-Tuticorin sections have been tested and passed. Kayattar-Papanasam section will be tested shortly.

The telephone lines between Papanasam-Koilpatti and Kayattar-Tuticorin constructed by the Telegraph department were taken over. The buildings in Kayattar switching station have been completed and those at Koilpatti and Tuticorin are nearing completion.

Vizagapatam thermal system.—The power-station maintained satisfactory supply of power. Further delay has occurred in the delivery of the third 1,500 K.W. set on order and it is expected to arrive only in 1942–1943. The necessary civil works such as water inlet pipes, syphonic system, foundations, etc., connected with the third set were taken up and are nearing completion. Negotiations for supply to the shipbuilding yard at Vizagapatam were concluded and the necessary 11 K.V. lines for an initial restricted load up to 600 K.W. were constructed and supply of power commenced from July 1941. To accommodate their future load, a fourth 1,500 K.W. set has been ordered. Supply of power to the Vizagapatam Aerodrome is under consideration. Some important townships, agricultural and industrial loads were connected in 1941–1942. Under instructions from the Government of India, necessary A.R.P. protective measures for the power station were completed.

The peak load on the station was 980 K.W. The revenue by sale of power, etc., in 1941–1942 is expected to be Rs. 1·88 lakhs and that in 1942–1943 Rs. 2·45 lakhs.

Reference to pages in the Detailed Annual Estimate of Expenditure.

Bezwada thermal system.—The operation of the power station, transmission lines and sub-stations was satisfactory. The peak load of the system has risen to 2,300 K.W. and is beyond the normal effective capacity of the power station. The third 3,000 K.W. generating set ordered for the station has not yet been delivered. Temporary relief arrangements were made by purchasing the surplus power available with Messrs Kistna Cement Company, Mangalagiri.

Six villages and 200 H.P. of industrial and agricultural load inclusive of the Vuyyur Sugar Factory were connected to the system. A jute mill with a connected load of about 200 K. W. was connected to the Guntur licensee's system.

The revenue by sale of power, etc., is expected to be Rs. 3·51 lakhs in 1941–1942 and Rs. 4·03 lakhs in 1942–1943.

Cocanada thermal scheme.—The operation of power station was satisfactory. The construction of the transmission lines to and the distribution systems at Samalkot, Peddapuram, Ramachandrapuram, Gollapoolu, Pithapuram and Mandapettah were completed and supply given. A few other distribution schemes are in progress. The total connected load on the power station was 880 K.W.

The revenue by sale of power, etc., is expected to be Rs. 0·73 lakh in 1941–1942 and Rs 0·86 lakh in 1942–1943.

West Godavari district electrification scheme.—This involves the construction of 70 miles of 11 K.V. lines and distribution systems in fifteen important townships. Almost all materials have been collected and the work is in progress. The capital expenditure in 1941–1942 is expected to be Rs. 5·56 lakhs and that in 1942–1943 about Rs. 1·81 lakhs.

Investigations.—Detailed investigation of the Machkand Hydro-electric scheme and preliminary reconnaissance of the Sileru Hydro-electric projects were begun.

Programme of work for 1942–1943.

Pykara hydro-electric scheme.—In addition to the normal operation and maintenance of the system, the sixth 5,000 K.V.A. transformer for Coimbatore is expected to be received and erection commenced. The work of increasing the transformer capacities at Sembatti and Madura will be completed. The construction of important extensions up to the amount allowed in the blanket grant will be undertaken.

Land acquisition proceedings in respect of extension to the West Coast will be completed.

Mettur system.—In addition to the normal operation and maintenance of the system, the fourth generating unit will be erected, if received from abroad in good time, the additional quarters at Salem, Sankari and Ammapet sanctioned for construction in 1942–1943 will be constructed and normal extensions up to the amount provided in the blanket grant will be undertaken.

Papanasam scheme.—Construction of the dam and surplus course will be continued according to programme. The outstanding civil works connected with the power house will be taken up when the turbines and generators arrive. The switchgear parts are expected to be erected in advance. The erection of R.C.C. outdoor structures will be commenced shortly.

Supply of Pykara power to Tuticorin, Tinnevelly and West Tinnevelly district is programmed pending receipt of the main power plant.

Extensions up to the amount provided will be executed in the system.

Vizagapatam thermal system.—The machinery connected with the installation of the third generating set is expected to be erected if received in time. Minor extensions will be undertaken.

Bezwada thermal system.—In addition to the normal operation and maintenance of the system, the work in 1942–1943 will mainly be on the installation of the third generating set at the power station. Minor extensions will also be undertaken.

Cocanada thermal scheme.—The distribution schemes at Pasalapudi and Velangi will be energized. Certain A.R.P. measures for the power-station which are under consideration will be completed during 1942–1943.

West Godavari district electrification scheme.—The scheme is likely to be completed in the later half of 1942, and brought into operation.

Investigation.—The Machkand investigation and the routine hydro-metric surveys will be continued.

Grant XXXVII—Commuted Value of Pensions.

	Accounts, 1940-1941.	Budget Estimate, 1941-1942.	Revised Estimate, 1941-1942.	Budget Estimate, 1942-1943.	Reference to pages in the Detailed Annual Estimate of Expenditure.
83. Payments of Commuted Value of Pensions—					479
Payments of commuted value of pensions	3·20	2·81	3·10	3·06	
Deductions	— 5·22	— 2·81	— 3·10	— 3·06	
Total ..	— **2·02**	..	..	..	

679. All payments on account of commutation of pensions, whether made in England or in India, including the payments to the Central Government are brought to account in the first instance under this head. The recoveries from the Central Government are credited to this head by a deduct entry. At the end of the year such portion of the net expenditure recorded under this head as the Government may decide to charge against current revenues is transferred to the revenue account under the capital major head 55. A. Commutation of Pensions financed from ordinary revenues. The net amount debited under the head 83. Payments of Commuted Value of Pensions is repaid from revenue either in a lump sum or by a system of equated payments, spread over a period not exceeding fifteen years, which include interest on the capital invested.

The total equated payments to be made in any year in this connexion are debited to the head 55. Superannuation allowances and pensions—Equated payments of commuted value of pensions charged to Capital by credit to

(*a*) the capital head 83. *Deduct*—Capital portion of equated payments out of revenue for the capital portion of the payments ; and

(*b*) 22. Interest on ordinary debt—*Deduct*—Interest portion of equated payments on account of commuted value of pensions for the interest portion of the payments.

Explanation of variations.

680. *Payments of commuted value of pensions.*—The increase in the revised estimate for 1941-1942 is due mainly to payments in India being more than budget anticipations.

681. *Deductions.*—Recoveries from other Governments are expected to be more than the budget anticipation in the current year.

The estimates provide for meeting from revenues the net expenditure in 1941-1942 and 1942-1943.

Grant XXXVIII—Interest-free Advances.

	Accounts, 1940-1941.	Budget Estimate, 1941-1942.	Revised Estimate, 1941-1942.	Budget Estimate, 1942-1943.	
Deposits and Advances—Advances not bearing interest—Advances Repayable—					480
Civil advances	8·33	8·12	8·45	8·41	
Revenue advances—Cost of survey marks	1·27	1·15	·59	·78	
Special advances	3·51	·13	2·22	·24	
Total ..	**13·11**	**9·40**	**11·26**	**9·43**	

682. The transaction of Government business often necessitates the placing of funds at the disposal of Government servants as temporary cash advances for public purposes. These are subsequently adjusted as expenditure under the appropriate heads of account or recovered from the parties concerned. When such advances are free of interest they are shown in the accounts as Advances Repayable—Interest-free Advances. When an advance is drawn, it is booked as an ' Outgoing ', and the subsequent adjustment or recovery is booked as a ' Receipt.' Each outgoing should result in a receipt of an equal amount later on, but part of the outgoings of one financial year may be adjusted or recovered in subsequent years. Consequently the outgoings and the receipts under an dvance head are not necessarily equal in any one financial year.

Reference to pages in the Detailed Annual Estimate of Expenditure.

The different kinds of interest-free advances are—

480 683. *Civil advances.*—This head includes advances made to Government servants on first appointment, transfer or return from leave or special duty out of India, advances towards the cost of passages of gazetted Government servants (other than those entitled to passage benefits as a condition of their service) of non-Asiatic domicile and their families when proceeding on or returning from leave and advances for remittance of treasure.

684. *Revenue advances—Cost of survey marks.*—The transactions recorded under this head relate to amounts recoverable from the Government, local bodies and others in respect of advances drawn by Tahsildars for replacing missing boundary marks and by survey officers for demarcation purposes. The actual cost of replacing missing boundary marks is charged to the owners of the land. The amount charged to the Government is debited to the head 25. General Administration—District Administration—Other establishments—Contingencies, and an equal amount is credited as a receipt under the present head, while the amounts recovered from local bodies and others are directly credited to this head as a receipt. Recoveries to be made in respect of advances drawn by survey officers are reported by them to Collectors and such recoveries when effected are credited direct to this head as a receipt.

685. *Special advances.*—These consist of advances for industrial and agricultural purposes to the inmates of settlements for criminal tribes, advances to inspecting officers under the Madras Agricultural Pests and Diseases Act for carrying out remedial and preventive measures, the expenditure on which is recovered subsequently from the ryots concerned, and advances for miscellaneous purposes, e.g., purchase of kit by agricultural students, fishing operations, Chenchu shops and schools, examination fees of Government Press employees for technical tests and advances for special purposes which may be authorized by Government to meet particular needs.

Explanation of variations.

686. *Civil advances.*—The increase in the revised estimate for 1941–1942 is due mainly to larger amount drawn on first appointment and transfer. The budget estimate for 1942–1943 is based generally on the revised estimate.

687. *Revenue advances—Cost of survey marks.*—The decrease in the revised estimate for 1941–1942 is due to smaller expenditure on replacement of missing boundary marks and to the fact that the Survey department could not complete certain surveys within the year as anticipated in the budget estimate.

The budget estimate for 1942–1943 is based on the extent of survey operations expected to be carried out during the year.

688. *Special advances.*—The increase in the revised estimate for 1941–1942 is mainly due to the provision of advances for purchase and stock of sufficient quantities of food-stuffs for the purpose of meeting the needs of the City of Madras in any emergency that may arise on account of the war.

The budget estimate for 1942–1943 excludes the special provision mentioned above.

Loans and Advances by the Provincial Government.

689. The accounts relating to loans and advances by the Provincial Government are maintained continuously from year to year and show—

(1) the balance of loans advanced in previous years outstanding against the borrowers on the first day of each financial year ;

(2) fresh loans and advances granted during the financial year ;

(3) recoveries of the principal of loans outstanding against borrowers (mostly in respect of loans of previous years except in the case of loans to Government servants) ; and

(4) balance of loans outstanding on the last day of the financial year.

Item (2) above, being expenditure from the Provincial revenues, has to be included in a grant. It has, therefore, been included in Grant XXXIX. Loans and Advances bearing interest, which comprises two major heads as shown below :—

Grant XXXIX—Loans and Advances bearing interest.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.	Reference to pages in the Detailed Annual Estimates of Expenditure.
Loans to municipalities, port funds, etc.	86·56	100·97	87·03	90·31	481–493
Loans to Government servants ..	·40	·47	·29	·29	
Total—Grant XXXIX ..	**86·96**	**101·44**	**87·32**	**90·60**	

690. The following is a summary of the grant by minor heads :—

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
Loans to municipalities, port funds, etc.—				
Loans to presidency corporations, port trusts, and other port funds.	6·54	16·24	15·88	13·07
Loans to district and other local fund committees	1·25	2·31	1·30	1·56
Loans to municipalities	15·28	15·73	13·01	6·25
Loans to landholders and other notabilities	..	..	..	..
Advances to cultivators	8·13	11·75	10·17	10·74
Advances under special laws (State aid to industries)	75	·40	·16	·20
Miscellaneous loans and advances ..	54·61	54·54	46·51	58·49
Loans to local boards for railway construction	..	..	..	..
Total ..	**86·56**	**100·97**	**87·03**	**90·31**
Loans to Government servants—				
Advances for the purchase of motor cars	·32	·40	·21	·21
Advances for the purchase of other conveyances	·04	·05	·06	·05
Passage advances	..	·01	..	·01
Other advances	·04	·01	·02	·02
Total ..	**·40**	**·47**	**·29**	**·29**
Grand Total ..	**86·96**	**101·44**	**87·32**	**90·60**

Loans to Municipalities, Port Funds, etc.

691. *Loans to presidency corporations, port trusts and other port funds.*—Loans given by the Provincial Government to the Madras Corporation for water-supply and drainage, town-planning and other works of public utility are provided for under this head. Loans previously given to the Madras Port Trust Board which are still outstanding are also accounted for under this minor head, though any further loans that may be made to it will be made by the Central Government, as Madras is a major port and major ports are now administered directly by the Central Government.

692. *Loans to district and other local fund committees.*—Loans to local bodies other than municipalities for roads and bridges, school and office buildings, and other purposes are shown under this head.

693. *Loans to municipalities.*—Under this head are shown loans to mufassal municipalities for water-supply, drainage, electric lighting, roads, buildings and other purposes.

694. *Loans to landholders and other notabilities.*—This head is intended to record loans granted to landholders and notabilities for objects other than those mentioned below under the minor head Advances to cultivators, e.g., relief from heavy encumbrances on their estates, if such relief is considered desirable in the public interests. Such loans are given only very occasionally.

Reference to pages in the Detailed Annual Estimate of Expenditure.

481–493

695. *Advances to cultivators.*—Loans granted to cultivators (including landholders) under the Land Improvement and Agriculturists Loans Acts, under the Agriculturists Loans (Madras Amendment) Act, 1935, for the relief of indebtedness of agriculturists, and under the special rules for pumping installations and agricultural implements are shown under this head.

696. *Advances under special laws.*—Advances under the Madras State Aid to Industries Act are shown under this head.

697. *Miscellaneous loans and advances.*—Loans which do not fall strictly under any of the foregoing classes are shown under this minor head. The main items are loans for the acquisition of house-sites for communities eligible for help by the Labour Department, loans to Kallars, co-operative building and sale societies, central banks, the co-operative milk supply union, land mortgage banks, Chenchus in the Nallamalais, chank divers for the purchase of canoes, fish-curers for the construction of storage sheds, owners of fisheries school buildings for their construction or extensions, and the Hindu Religious Endowments Board, and market committees and loans to local bodies to cover deficits.

Temporary short-term loans to the Madras Co-operative Central Land Mortgage Bank repayable within a period of nine months by floating debentures are also shown under this head.

698. *Loans to local boards for railway construction.*—Such loans are not granted now, but there is a balance relating to them outstanding against the Tinnevelly District Board in respect of the Tinnevelly-Tiruchendur Railway.

Loans to Government Servants.

699. *Advances for the purchase of motor cars.*—Subject to an upper monetary limit, the maximum amount of the advance is restricted to four months' pay or the actual price of the car (or boat), whichever is less. The advance is recoverable in monthly instalments not exceeding 24 in the case of officers drawing a pay of more than Rs. 1,000 a month and 36 in the case of officers drawing not more than Rs. 1,000 a month beginning with the month following that in which it is drawn. In respect of advances for motor cars drawn on or after the 1st January 1941, by officers drawing a pay of more than Rs. 1,000 a month, recovery may be made during the period of the war in monthly instalments of not less than one-thirty-sixth part of the advance in lieu of one-twenty-fourth part.

700. *Advances for the purchase of other conveyances.*—These include motor cycles, bicycles, bullocks and bullock-carts, boats, etc.

Subject to an upper monetary limit, the maximum amount of the advance is restricted to eight months' pay or the actual price of the motor cycle, whichever is less. The recovery is effected in monthly instalments as in the case of motor-car advances.

Advances for bicycles, bullocks and bullock-carts, boats, etc., are granted to non-gazetted Government servants except low paid men such as attenders, peons, etc. The maximum advance for purchasing one of these conveyances is two months' pay or Rs. 200 whichever is greater, and it is recovered in monthly instalments not exceeding 12.

701. *Passage advances.*—Certain Government servants of non-Asiatic domicile are entitled, as a condition of their service, to passage benefits for themselves and their families subject to a maximum number of passages during the whole of their service, e.g., members of All-India Services and officers employed on contract. When such an officer has exhausted his passage benefits, he may be granted an advance to cover the cost of passages for himself and his family, subject to an upper monetary limit, provided that it does not exceed four months' pay or the actual cost of the passages, whichever is less. The advance is recovered in monthly instalments not exceeding 36.

702. *Other advances.*—These include advances for the purchase of typewriters and special advances such as those which are occasionally given to Government servants who leave India for higher studies. All gazetted officers on a pay not exceeding Rs. 500 per mensem and superintendents of the Secretariat and the Legislative Assembly Department who desire to supply themselves with their own typewriters for Government work are eligible for advances for this purpose. The purchase is made through the Superintendent of Stationery and the advance is recovered in monthly instalments not exceeding 12. The special advances are granted only in exceptional cases and for special reasons.

Explanation of Variations.

Reference to pages in the Detailed Annual Estimate of Expenditure.
481–493

703. *Loans to presidency corporations, port trusts and other port funds.*—The budget estimate for 1942–1943 provides for loans to the Madras Corporation for the following items :—

	RS. LAKHS.
Poondi Reservoir Scheme	16·83
Construction of flush-out latrines	·50
Lump deduction for probable savings	— 4·26
Total ..	13·07

704. *Loans to district and other local fund committees.*—The decrease in the revised estimate for 1941–1942 is due to—

(i) savings in the provision for loans to finance Road Development Fund works owing to slow progress of the works ; and

(ii) lapse of provision made for loans to finance water-supply schemes as some of the schemes had to be postponed on account of shortage of iron and steel.

The budget estimate for 1942–1943 provides for loans to local bodies for road works in progress and also for new works such as roads, bridges and school buildings.

705. *Loans to municipalities.*—The decrease in the revised estimate for 1941–1942 is mainly due to—

(i) savings in the provision for loans for dustless surfacing of roads and for electric supply undertakings ; and

(ii) to the slow progress, and in some cases, to the postponement of water-supply and drainage schemes owing to the shortage of steel and iron due to war conditions.

The budget estimate for 1942–1943 provides for loans to certain municipalities for

Reference to pages in the Detailed Annual Estimate of Expenditure.

EXPLANATION OF VARIATIONS.

481–493 710. *Outgoings.*—The variations have been explained in paragraphs 703 to 708.

711. *Receipts.*—The revised estimate takes credit for smaller repayments under short-term loans to the Madras Co-operative Central Land Mortgage Bank while a larger amount is expected to be realized from local bodies towards repayment of advances taken to cover deficits.

The budget estimate takes credit for a larger repayment of short-term loans by the Madras Co-operative Central Land Mortgage Bank (Rs. 50 lakhs) as against Rs. 46 lakhs during the current year while a smaller amount is expected under repayment of advances to local bodies to cover deficits.

Grants for economic development and improvement of rural areas.

	Accounts, 1940–1941.	Budget Estimate, 1941–1942.	Revised Estimate, 1941–1942.	Budget Estimate, 1942–1943.
Opening balance	1·58	1·13	1·32	·31
Add—Receipts	3·92	4·65	5·92	4·86
Total ..	**5·50**	**5·78**	**7·24**	**5·17**
Deduct—Outgoings ..	4·18	5·78	6·93	5·18
Closing balance	1·32	..	·31	— ·01

712. The Central Government placed at the disposal of this Government in 1935–1936 a sum of 14 lakhs for expenditure on schemes for the economic development and improvement of rural areas in this Province. A sum of ·27 lakh out of this was allotted for expenditure in the areas transferred to the Orissa Province on 1st April 1936. The Central Government have also allotted a further sum of 15 lakhs for rural uplift in this Province. The major portion of this grant together with the unspent balance of the grant of 1935–1936 has been allocated to the several districts on a rural population basis, and the balance has been earmarked for special schemes or other purposes. The grant is being spent on schemes falling in the categories mentioned below :—

(1) Improvement of rural water-supply.

(2) Improvement of rural sanitation.

(3) Encouragement and development of loan and sale co-operative societies by making free grants towards part of the cost of godowns (and for village hall *cum* reading room, if so desired).

(4) Improvement of village communications including the bridging of irrigation canals and channels where there are no roads.

(5) Consolidation of holdings.

The execution of any scheme in any rural area was previously made dependent on a contribution of not less than one-third of the cost either in cash or in kind (by labour or the like) from the village or other area which was to benefit by the scheme except in the case of construction of godowns by loan and sale co-operative societies for which a free grant limited to a fourth of the cost of such godowns could be made. The Government of India subsequently empowered the Provincial Government to relax the condition of contribution. The grants received from the Central Government and the contributions are credited initially to the deposit account. The grant is credited to this Government in instalments every half-year, and the amount of each instalment is equal to the expenditure likely to be debited against the grant during that half-year.

The expenditure financed from these except that on the Poonamallee Health Unit is incurred by Collectors and is debited to the head 25. General Administration—Expenditure from rural reconstruction grants under Grant XI and a corresponding amount is credited to XLVI. Miscellaneous by debit to the deposit head—see paragraphs 218 and 371.

The expenditure on the Poonamallee Health Scheme in 1941–1942 was financed from the grant from the Central Government for economic development and improvement of rural areas. It is proposed to continue the scheme on a limited scale in 1942–1943, the cost being met entirely from Provincial revenues. The expenditure on the scheme is controlled by the Director of Public Health and is debited to the head 39. Public Health under Grant XVII.

713. The Central Government allotted a sum of 2·96 lakhs to this Province to be spent on the following objects in connection with the development of the co-operative movement :—

(1) Training the existing staff of the co-operative movement, official and non-official ; and

(2) educating the members of co-operative societies, and more especially the office-bearers and members of committees, in the bye-laws and in the elementary principles of co-operation.

Reference to pages in the Detailed Annual Estimate of Expenditure.

The training is conducted in the Government Central Co-operative Training Institute, Madras, and by peripatetic training institutes and in several centres in each district, by the Co-operative department. The expenditure on the scheme of training in excess of the expenditure incurred by the Provincial Government on the central and peripatetic institutes is debited to this grant. The scheme was commenced in 1936–1937 and is expected to be closed in 1942–1943.

The expenditure financed from these grants is debited to the head 42. Co-operation —Superintendence under Grant XX and a corresponding amount is credited to the head XXXI. Co-operation by debit to the deposit head—see paragraphs 160 and 512.

714. The Central Government also decided to distribute among the various provinces with effect from 1936–1937 a grant of 5·00 lakhs spread over a period of five years for the benefit of cottage and small scale woollen industries. Out of the share of the Province from this allotment there is a balance of Rs. 11,000 and the Government of India have permitted the Provincial Government to utilize the balance for expenditure on the scheme in 1942–1943. The help to woollen industries was utilized in this Province for the following purposes :—

(1) Organization of a number of co-operative societies in the cumbly weaving areas and the establishment of a sale depot for marketing their products,
(2) organization of a central co-operative society of master weavers engaged in the pile carpet industry at Ellore (*a*) for the dyeing of wool in a small central dye-house and (*b*) for the marketing of finished products, and
(3) employment of a designer to assist in the development of both sections of the woollen industry.

The expenditure on the dye-house referred to in item (2) has been met from provincial funds as the Central Government declined to meet it from their grant.

The expenditure from Provincial funds and the Central Government's grant is debited to the head 43. Industries—Miscellaneous Experiments and Grants-in-aid, respectively, under Grant XXI, the portion from the Central Government's grant being credited to the head XXXII. Industries by a corresponding debit to the deposit head—see paragraphs 166, 519 and 520.

EXPLANATION OF VARIATIONS.

715. *Receipts.*—The revised estimate for 1941–1942 takes credit for an instalment of grant from the Central Government for cottage and small scale woollen industry (·09), for co-operative training and education (·75) and for rural uplift schemes (3·74) and contributions for rural uplift schemes from local bodies, villagers, etc. (1·34). The budget estimate for 1942-1943 takes credit for an instalment of grant from the Central Government for cottage and small scale woollen industry (·08), for co-operative training and education (·02) and for rural uplift schemes (3·38) and contributions for rural uplift schemes from local bodies, villagers, etc. (1·38).

716. *Outgoings.*—The revised estimate for 1941–1942 anticipates an expenditure of 6·16 lakhs on rural uplift schemes including the Poonamallee Health Unit, ·08 lakh on cottage and small scale woollen industry and ·69 lakh on co-operative training and education. The budget estimate for 1942–1943 anticipates an expenditure of 4·96 lakhs on rural uplift schemes, ·11 lakh on cottage and small scale woollen industry and ·11 lakh on co-operative training and education.

The Madras Famine Relief Fund.

717. Rule 29 of the Devolution Rules and Schedule IV thereto made under section 45-A of the Government of India Act, 1919, which came into force on the 1st April 1921, provided for the establishment and maintenance of a Famine Relief Fund in this Province by an annual assignment from Provincial revenues. The balance in the Fund on the 31st March 1936 was 44·48 lakhs.

The Government of India Act, 1935, did not provide for the continuance of the Famine Relief Fund established under the Devolution Rules, but the Madras Government considered it essential to have a statutory fund on the same lines. The Madras Famine Relief Fund Act, 1936, as subsequently amended, accordingly provides for the establishment and maintenance of the Madras Famine Relief Fund with the balance in the Fund constituted under the Devolution Rules on its being wound up as its nucleus. The main provisions of the Act are—

(1) *Assets of the Fund*—
  (i) The securities purchased from the balance at the credit of the old Fund when it was wound up.
  (ii) Contributions from the revenues of the Province.
  (iii) Interest accruing from time to time on the securities of the Central or the Provincial Government in which all sums to the credit of the Fund not immediately required for expenditure have to be invested.

Reference to pages in the Detailed Annual Estimate of Expenditure.

..

(2) *Purposes for which the Fund may be utilized*—

(i) Relief of serious famine.

(ii) Relief of distress caused by serious drought, flood or other natural calamities.

(iii) When the Fund exceeds Rs. 40 lakhs, the excess may be utilized to meet expenditure on protective irrigation works and other works for the prevention of famine.

(3) *Contributions to the Fund from revenues.*—The accounts of the Fund have to be made up as on the 31st March of each year, the securities belonging to it being valued at their market value on that day. Should the valuation in any year show that the balance in the Fund fell short of 60 lakhs on that day, contributions from Provincial revenues have to be made to make up the deficiency. If the deficiency exceeds 5 lakhs it may be made up in annual instalments, each of such instalments except the last being not less than 5 lakhs. Contributions may also be made otherwise, e.g., by crediting the Fund with the sale-proceeds of famine tools and surplus materials remaining unutilized after a famine, etc.

A statement showing the transactions relating to the Madras Famine Relief Fund from the year 1938-1939 will be found in **Appendix III.**

Depreciation Reserve Funds and Special Reserve Funds of Electricity Systems.

718. In order to provide for renewals and replacements of plant, machinery and buildings connected with certain Government Electricity Systems, the following reserve funds have been established in respect of each System concerned :—

(1) *Depreciation Reserve Fund*, to provide for renewals and replacements necessitated by ordinary wear and tear on the basis of the normal life of each item.

(2) *Special Reserve Fund*, to provide for extraordinary and unforeseen renewals that may be required from time to time due to abnormal causes, such as damage by storms, cyclones, fire and similar calamities.

The contributions to each Depreciation and Special Reserve Fund are made annually out of the revenues of the System concerned at the rate of two and a half per cent and one per cent respectively of the total capital outlay as at the end of the preceding year, until the amounts in the Funds accumulate to a maximum of 30 per cent and 10 per cent of that capital outlay respectively, or at such smaller amounts, if any, as may be required in any year to maintain the Funds at the prescribed limits. The balance to the credit of each Fund is separately invested in securities of the Government of Madras or of the Central Government. The interest received on the securities is not credited to the Funds but to the receipts of the respective Systems as Miscellaneous Revenue under XLI. Receipts from Electricity Schemes.

The following are the Systems for which these Funds have been established :—

System.	Year in which the Funds were established.
(i) The Pykara Hydro-Electric System	1937-1938
(ii) The Mettur Hydro-Electric System—	
(*a*) Subsidiary Schemes transferred from the Pykara System to the Mettur System.	1937-1938
(*b*) Erode-Trichinopoly-Negapatam Extensions ..	1938-1939
(*c*) System as a whole	* 1941-1942

* Contribution to the Special Reserve Fund is made at ½ per cent instead of at 1 per cent by the Mettur Hydro-Electric System proper for the year 1941-1942.

A consolidated statement showing the transactions of these Funds from the year 1938-1939 without details by Systems is given in **Appendix IV**.

Contingent liabilities of the Madras Government.

719. The Madras Government have guaranteed, for public reasons, the due discharge by certain public bodies of certain liabilities incurred by them; the details of these guarantees are shown in **Appendix V**.

W. SCOTT BROWN,
Financial Secretary.

12th February 1942.

PART III

APPENDICES

APPENDIX I.

[*See* paragraph 17 of Part I.]

(A) SUMMARY OF THE FINANCIAL EFFECT OF SCHEMES INVOLVING LOSS OF REVENUE OR NEW EXPENDITURE FOR WHICH ALLOWANCE HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942-1943.

—	Ultimate Revenue.		Revenue in 1942-1943.	
	Recurring.	Non-recurring.	Recurring.	Non-recurring.
(1)	(2)	(3)	(4)	(5)
	RS.	RS.	RS.	RS.
I. Loss of Revenue.				
XXVI. EDUCATION	1,000	..	1,000	..
II. Additional Revenue.				
XXVI. EDUCATION	9,400	..	5,700	..
XXVII. MEDICAL	3,800	..	3,600	..
XXVIII. PUBLIC HEALTH	8,700	8,200	6,700	4,500
XXIX. AGRICULTURE	47,700	..	..	..
XXX. VETERINARY	17,400	1,900	3,200	1,900
Total ..	**87,000**	**10,100**	**19,200**	**6,400**
Total—Net additional revenue ..	**+ 86,000**	**+ 10,100**	**+ 18,200**	**+ 6,400**

(A) SUMMARY OF THE FINANCIAL EFFECT OF SCHEMES INVOLVING LOSS OF REVENUE OR NEW EXPENDITURE FOR WHICH ALLOWANCE HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942–1943—*cont.*

III. Expenditure on Revenue Account.

—	Ultimate cost.		Cost in 1942–1943.	
	Recurring.	Non-recurring.	Recurring.	Non-recurring.
(1)	(2)	(3)	(4)	(5)
	RS.	RS	RS.	RS.
GRANT I—LAND REVENUE	3,400	..	400	..
GRANT IV—FOREST	2,100	11,500	1,500	11,500
GRANT VIII—IRRIGATION	..	3,72,100	..	2,13,500
GRANT IX—HEADS OF PROVINCES, ETC.	37,800	1,200	22,500	1,200
GRANT XI—DISTRICT ADMINISTRATION AND MISCELLANEOUS	63,500	1,27,900	48,500	37,200
GRANT XII—ADMINISTRATION OF JUSTICE	2,47,900	41,100	1,86,600	35,400
GRANT XIII—JAILS	1,200	5,100	1,100	2,600
GRANT XIV—POLICE	13,200	68,200	13,200	68,200
GRANT XV—EDUCATION	4,35,400	9,94,500	2,97,700	6,99,100
GRANT XVI—MEDICAL	2,85,700	1,88,100	1,66,000	1,33,500
GRANT XVII—PUBLIC HEALTH ..	1,31,300	38,600	1,15,400	31,900
GRANT XVIII—AGRICULTURE ..	1,75,300	85,700	88,900	28,700
GRANT XIX—VETERINARY	59,100	30,900	37,300	22,700
GRANT XX—CO-OPERATION	40,800	15,500	24,100	12,300
GRANT XXI—INDUSTRIES	17,900	80,800	12,400	56,300
GRANT XXII—CINCHONA AND FISHERIES.	11,800	2,400	7,700	2,400
GRANT XXIII—MISCELLANEOUS DEPARTMENTS	78,700	2,43,600	67,400	1,93,600
GRANT XXIV—CIVIL WORKS—WORKS.	..	6,67,900	..	3,22,100
GRANT XXV—CIVIL WORKS—ESTABLISHMENT, ETC.	9,300	44,300	6,100	22,800
GRANT XXVI—CIVIL WORKS—GRANTS-IN-AID	27,000	11,15,000	20,300	9,97,000
GRANT XXXI—MISCELLANEOUS ..	6,67,900	..	6,67,900	..
Total ..	**23,09,300**	**41,34,400**	**17,85,000**	**28,92,000**
Deduct—Net additional revenue ..	86,000	10,100	18,200	6,400
Net Expenditure on Revenue Account on account of schemes of new expenditure	**22,23,300**	**41,24,300**	**17,66,800**	**28,85,600**

(A) SUMMARY OF THE FINANCIAL EFFECT OF SCHEMES INVOLVING LOSS OF REVENUE OR NEW EXPENDITURE FOR WHICH ALLOWANCE HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942-1943—*cont.*

IV. Capital Expenditure outside the Revenue Account.

——	Ultimate cost.		Cost in 1942-1943.	
	Recurring.	Non-recurring.	Recurring.	Non-recurring.
(1)	(2)	(3)	(4)	(5)
		RS.		RS.
GRANT XXXIII—CAPITAL OUTLAY ON IRRIGATION	..	85,000	..	50,000
GRANT XXXV—CIVIL WORKS OUTSIDE THE REVENUE ACCOUNT ..	..	7,67,200	..	79,500
GRANT XXXVI—CAPITAL OUTLAY ON ELECTRICITY SCHEMES	..	13,500	..	12,200
Total ..	..	**8,65,700**	..	**1,41,700**

V. Loans to Local Bodies, etc.

GRANT XXXIX—LOANS AND ADVANCES BEARING INTEREST	..	8,23,000	..	4,97,100
Total ..	..	**8,23,000**	..	**4,97,100**
Grand Total—IV plus V ..	..	**16,88,700**	..	**6,38,800**

(B) LOSS OF REVENUE OR ADDITIONAL REVENUE ANTICIPATED FROM SCHEMES INVOLVING LOSS OF REVENUE OR NEW EXPENDITURE FOR WHICH ALLOWANCE HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942-1943.

Item number.	Description of the scheme.	Ultimate revenue.		Revenue in 1942-1943.	
		Recurring.	Non-recurring.	Recurring.	Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
		RS.	RS.	RS.	RS.
	(I) Scheme involving loss of revenue.				
	XXVI. EDUCATION.				
1	Grant of full-fee remission to students in the Government Muhammadan College, Madras, up to 8 per cent of the strength of the College.	1,000	..	1,000	..
	Total ..	**1,000**	..	**1,000**	..
	(II) Schemes involving additional revenue.				
	XXVI. EDUCATION.				
1	Opening of additional sections in Forms V and VI of the Government Muhammadan High School, Kurnool.	1,600	..	800	..
2	Opening of additional Government Secondary Schools for Girls.	7,800	..	4,900	..
	XXVII. MEDICAL.				
3	Opening of a hostel for women students in the Andhra Medical College, Vizagapatam.	3,800	..	3,600	..
	XXVIII. PUBLIC HEALTH.				
4	Contribution from the Indian Research Fund Association for filling up of burrow pits on land owned by poor people in the Pattukkottai Panchayat area as an anti-malarial measure.	..	600	..	600
5	Extension of the scheme of experimental use of cyanogas fumigation to new areas.	2,900	..	2,900	.
6	Employment of staff for malaria investigation unit in Harur taluk, Salem district.	..	7,600	..	3,900
7	Employment of Second-class Health Officers in certain municipalities.	3,000	..	2,500	..
8	Appointment of an Assistant District Health Officer in each of the three districts, Ramnad, West Godavari and Bellary.	2,800	..	1,300	..
	XXIX. AGRICULTURE.				
9	Multiplication and distribution of Co. 2, Cambodia cotton seed, in Tiruppur area.	45,200	..	..	..
10	Opening of a rice research station in the Chingleput district.	2,500	..	..	..
	XXX. VETERINARY.				
11	Opening of four Veterinary Dispensaries.	4,400	1,900	3,200	1,900
12	Opening of a buffalo-breeding station at Prattur in Guntur district.	13,000	..	..	..
	Total ..	**87,000**	**10,100**	**19,200**	**6,400**

(C) SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942–1943.

Schemes debitable to Revenue Account.

Item number.	Description of the scheme.	Ultimate cost. Recurring.	Ultimate cost. Non-recurring.	Cost in 1942–1943. Recurring.	Cost in 1942–1943. Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
		RS.	RS.	RS.	RS.
	GRANT I—LAND REVENUE.				
	7. LAND REVENUE.				
1	Creation of the post of Deputy Director of Survey in substitution of the post of an Assistant Director of Survey.	3,400	..	400	..
	Total—Grant I ..	**3,400**	..	**400**	..
	GRANT IV—FOREST.				
	10. FOREST.				
2	Provision of free medical aid to the labourers working in Nilambur and Amarampalam ranges in Nilambur division.	2,100	700	1,500	700
3	Grant for carrying out improvements to the Courtallam waterfalls.	..	10,800	..	10,800
	Total—Grant IV ..	**2,100**	**11,500**	**1,500**	**11,500**
	GRANT VIII—IRRIGATION.				
	XVII. IRRIGATION, ETC., WORKS—WORKING EXPENSES.				
4	Restoration of the Panjapatti Reservoir in Trichinopoly district.	..	52,200	..	10,000
5	Construction of a lock near Pulicat lake at mile 25/6 of North Buckingham canal.	..	46,500	..	46,500
	18. IRRIGATION, ETC.				
6	Excavating a direct irrigation channel from the right bank of the Pennar to irrigate lands in certain villages in Siddhout taluk, Cuddapah district. [See also item 203.]	..	1,05,000	..	5,000
7	Improvements to the Pooraparamba Cut and restoration of the Conolly Canal from Kuttayi to Pooraparamba river, West Coast canal, Malabar district. [See also item 204.]	..	1,30,000	..	1,30,000
8	Metalling the road over the Coleroon right bank from miles 16/6 to 18/5 in the Tanjore district.	..	19,400	..	17,000
	19. IRRIGATION, ETC.				
9	Excavating Kumariguntа distributary of the Nagavalli river system, Vizagapatam district.	..	19,000	..	5,000
	Total—Grant VIII ..	..	**3,72,100**	..	**2,13,500**

(C) SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942–1943—*cont.*

Schemes debitable to Revenue Account—*cont.*

Item number.	Description of the scheme.	Ultimate cost.		Cost in 1942–1943.	
		Recurring.	Non-recurring.	Recurring.	Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
		RS.	RS.	RS.	RS.
	GRANT IX—HEADS OF PROVINCES, ETC.				
	25. GENERAL ADMINISTRATION.				
10	Employment of additional staff for printing and publication of old records in the Madras Record Office.	2,400	..	1,100	..
11	Employment of additional staff in the Local Fund Audit Department.	20,100	..	11,600	..
12	Enhancement of the scale of pay of the Deputy and Assistant Examiners of Local Fund Accounts.	2,400	..	1,800	..
13	Deputation of a Superintendent from the Finance Secretariat for training in the Accountant-General's Office.	..	1,200	..	1,200
14	Employment of additional staff for the Office of the Madras Public Service Commission.	12,900	..	8,000	..
	Total—Grant IX ..	**37,800**	**1,200**	**22,500**	**1,200**
	GRANT XI—DISTRICT ADMINISTRATION AND MISCELLANEOUS.				
	25. GENERAL ADMINISTRATION.				
15	Appointment of Rural Recreation Organisers.	33,600	..	23,100	..
16	Constitution of a special Tribunal under section 185-A of the Estates Land Act.	..	1,27,900	..	37,200
17	Bifurcation of the Madras Taluk office.	19,700	..	18,000	..
18	Restoration of the old Hadagalli taluk of the Bellary district.	8,600	..	6,600	..
19	Formation of a new sub-taluk at Mettur, Salem district.	1,600	..	800	..
	Total—Grant XI ..	**63,500**	**1,27,900**	**48,500**	**37,200**
	GRANT XII—ADMINISTRATION OF JUSTICE.				
	27. ADMINISTRATION OF JUSTICE.				
20	Appointment of a second additional Judge in the City Civil Court, Madras.	..	7,900	..	6,500
21	Appointment of an additional Subordinate Judge to the Sub-Court, Narasapur, and of an additional District Munsif each to the District Munsifs' Courts, Kovvur and Bhimavaram, West Godavari district.	..	13,100	..	10,200

(C) SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942–1943—*cont.*

Schemes debitable to Revenue Account—*cont.*

Item number	Description of the scheme.	Ultimate cost. Recurring.	Ultimate cost. Non-recurring.	Cost in 1942–1943. Recurring.	Cost in 1942–1943. Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
		RS.	RS.	RS.	RS.
	GRANT XII—ADMINISTRATION OF JUSTICE—*cont.*				
	27. ADMINISTRATION OF JUSTICE—*cont.*				
22	Creation of a temporary Subordinate Judge's Court at Bellary.	..	4,100	..	4,100
23	Appointment of an additional Subordinate Judge in the Subordinate Judge's Court at Rajahmundry.	..	3,400	..	3,400
24	Appointment of an additional District Munsif to each of the District Munsifs' Courts of Walluvanad, Ottappalam and Tirur in the Malabar district.	..	6,400	..	5,000
25	Appointment of an additional District Munsif to the District Munsif's Court, Kasaragod, in the South Kanara district.	..	2,100	..	2,100
26	Creation of a temporary Subordinate Judge's Court at Kurnool.	..	4,100	..	4,100
27	Appointment of additional first-class magistrates for giving relief to Revenue Divisional Officers.	2,13,200	..	1,60,100	..
28	Practical training of candidates selected for appointment as District Munsifs in administration and office work.	23,800	..	23,800	..
29	Minimum monthly fee to Public Prosecutors in the mufassal.	10,900	..	2,700	..
	Total—Grant XII ..	**2,47,900**	**41,100**	**1,86,600**	**35,400**
	GRANT XIII—JAILS.				
	28. JAILS AND CONVICT SETTLEMENTS.				
30	Establishment of Remand Homes in Vellore and Coimbatore.	1,200	100	1,100	100
31	Training of a batch of Borstal School inmates in hydro-electric works.	..	5,000	..	2,500
	Total—Grant XIII ..	**1,200**	**5,100**	**1,100**	**2,600**
	GRANT XIV—POLICE.				
	29. POLICE.				
32	Increase in the number of tear smoke squads and training of a Gazetted officer and three sergeants at Phillaur in the Punjab.	13,200	68,200	13,200	68,200
	Total—Grant XIV ..	**13,200**	**68,200**	**13,200**	**68,200**

(C) SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942–1943—*cont.*

Schemes debitable to Revenue Account—*cont.*

Item number.	Description of the scheme.	Ultimate cost.		Cost in 1942–1943.	
		Recurring.	Non-recurring.	Recurring.	Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
		RS.	RS.	RS.	RS.
	GRANT XV—EDUCATION.				
	36. SCIENTIFIC DEPARTMENTS.				
33	Revival of the full-time post of Curator, Numismatic Section, in the Government Museum, Madras.	500	..	300	..
	37. EDUCATION.				
34	Grant-in-aid to the Victory Memorial Blind School at Poonamallee.	2,800	..	2,800	..
35	Additional recurring grant to the Annamalai University.	40,000	..	40,000	..
36	Grants to the Andhra University for Administrative buildings.	..	2,20,000	..	50,000
37	Grant to the Annamalai University for extensions to the Science buildings.	..	1,38,000	..	50,000
38	Grants to the Annamalai University for buildings for Tamil Research.	..	1,00,000	..	1,00,000
39	Subsidies to local bodies for the construction of buildings for elementary schools.	..	28,200	..	28,200
40	Building grant to the panchayat school at Puliyarambakkam, North Arcot district.	..	500	..	500
41	Building and equipment grants to aided elementary schools.	..	51,700	..	51,700
42	Appointment of a Special Officer for Mappilla women's education.	2,800	100	1,800	100
43	Continuance of the Physical Training Class for Women, Saidapet, during 1942–1943.	..	7,900	..	6,600
44	Appointment of a full-time Curator in the Government Oriental Manuscripts Library, Madras.	4,900	..	2,600	..
45	Opening of additional Government secondary schools for girls.	* 37,600	8,900	17,600	6,900
46	Opening of additional sections in Forms V and VI of the Government Muhammadan High School, Kurnool.	(*a*) 2,800	400	600	400
47	Introduction of pre-vocational training in the elementary schools in the Agency tracts.	1,200	1,700	900	1,700
48	Introduction of pre-vocational subjects in the elementary schools under local bodies and private agencies.	23,800	25,000	18,100	25,000

* Additional revenue anticipated—See item 2 in Section (B) II of this Appendix.
(*a*) Additional revenue anticipated—See item 1 in Section (B) II of this Appendix.

(C) SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942–1943—*cont.*

Schemes debitable to Revenue Account—*cont.*

Item number.	Description of the scheme.	Ultimate cost. Recurring.	Ultimate cost. Non-recurring.	Cost in 1942–1943. Recurring.	Cost in 1942–1943. Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
		RS.	RS.	RS.	RS.
	GRANT XV—EDUCATION—*cont.*				
	37. EDUCATION—*cont.*				
49	Introduction of handicrafts in certain Government Training Schools.	4,200	1,700	2,300	1,700
50	Opening of hostels for the Government Secondary and Training Schools for Women at Mangalore and Vellore and for the Government Training School for Masters, Cannanore.	1,800	300	1,200	300
51	Opening of a secondary-grade training class for Kannada pupils in the Government Training School for Masters, Hospet.	1,900	300	800	300
52	Teaching grants to aided Colleges, Secondary schools and special schools to be newly admitted to aid and grants to boarding homes for orphans and destitute children.	31,400	..	31,400	..
53	Stipendiary grant to Aided Training School, Palni.	5,000	..	1,900	..
54	Building grants to non-European Secondary schools under private management.	..	1,78,200	..	1,63,800
55	Equipment grants to non-European Colleges, Secondary schools and special schools under private management.	..	64,500	..	64,500
56	Grant towards the acquisition and improvement of playgrounds for Secondary schools.	..	18,700	..	18,700
57	Subsidies to local bodies for Secondary school buildings.	..	32,400	..	15,000
58	Subsidies to local bodies for equipment of Secondary schools.	..	22,200	..	22,200
59	Grants for public libraries under local bodies and panchayats.	..	35,000	..	35,000
60	Grant of aid to the Y.M.C.A. College of Physical Education, Saidapet.	2,900	..	2,900	..
61	Appointment of a separate Deputy Director of Elementary Education.	7,700	..	4,800	..
62	Reconstitution of Wynad taluk in the Malabar district into a separate Deputy Inspector's Range.	1,500	100	900	100

(C) SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942–1943—*cont.*

Schemes debitable to Revenue Account—*cont.*

Item number.	Description of the scheme.	Ultimate cost. Recurring.	Ultimate cost. Non-recurring.	Cost in 1942–1943. Recurring.	Cost in 1942–1943. Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
		RS.	RS.	RS.	RS.
	GRANT XV—EDUCATION—*cont.*				
	37. EDUCATION—*cont.*				
63	Opening of B.Sc. Course in 'Home Science' in the Queen Mary's College, Madras. [*See* also item 183.]	6,000	12,400	3,000	10,200
64	Appointment of an Assistant Lecturer in Tamil in the Teachers' College, Saidapet.	1,700	400	800	400
65	Employment of additional clerks in the offices of the Deputy Inspectors of Schools.	1,12,300	..	60,100	..
66	Creation of a post of Physical Director in the College of Engineering, Guindy.	1,200	..	600	..
67	Conversion of the post of Head-mistress of the Government Secondary and Training School for Women, Vellore, into a Madras Educational Service post.	2,000	..	..	..
68	Grants to the Boy Scouts and Girl Guides Associations.	..	14,300	..	14,300
69	Grant to the Madras Olympic Association.	..	500	..	500
70	Opening of standards VII and VIII in the Model School attached to the Government Training School for Masters, Madras.	1,800	200	700	100
71	Opening of higher standards in the Model School attached to the Government Training School for Masters, Calicut.	1,500	300	800	300
72	Opening of a Model School for the Government Training School for Masters, Badagara.	2,900	400	1,600	400
73	Opening of a Government Training School for Women at Namakkal, Salem district.	15,600	1,500	8,700	1,500
74	Employment of four Muhammadan Junior Deputy Inspectors of Schools.	5,000	..	3,200	..
75	Conversion of a post of Assistant Lecturer in Physics into that of a Lecturer in the Madras Educational Service in the Government Victoria College, Palghat.	2,500	..	700	..
76	Opening of a new course—Branch V. Politics—in the B.A. Honours course in the Presidency College, Madras.	1,700	100	..	100

(C) SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942-1943—*cont.*

Schemes debitable to Revenue Account—*cont.*

Item number.	Description of the scheme.	Ultimate cost. Recurring.	Ultimate cost. Non-recurring.	Cost in 1942–1943. Recurring.	Cost in 1942–1943. Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
		RS.	RS.	RS.	RS.
	GRANT XV—EDUCATION—*cont.*				
	37. EDUCATION—*cont.*				
77	Bifurcation of Vizagapatam district into two educational districts and appointment of an additional District Educational Officer.	6,700	600	3,500	600
78	Creation of a post of headmistress in the Government Secondary and Training School for Women, Coimbatore.	1,400	..	600	..
79	Employment of clerks in Government Training Schools for Masters.	13,200	..	6,300	..
80	Employment of additional Physical Directors.	9,600	600	5,300	600
81	Employment of an assistant to the Woman Specialist in Physical Education and additional establishment in the office of the Woman Specialist.	2,500	..	1,200	..
82	Revision of pay of Physical Directors in Colleges and Instructors in schools.	5,400	..	100	..
83	Increase in the grant paid to the Indian Academy of Sciences, Bangalore.	400	..	400	..
84	Grants for European Schools ..	200	27,400	200	27,400
85	Payment of additional subsidy to the Municipal Council, Hospet, towards the cost of maintenance of the Municipal High School.	2,000	..	2,000	..
86	Contribution to local bodies to make good the loss consequent on the Profession Tax Limitation Act, 1941 [See also item 211].	67,000	..	67,000	..
	Total—Grant XV ..	**4,35,400**	**9,94,500**	**2,97,700**	**6,99,100**
	GRANT XVI—MEDICAL.				
	38. MEDICAL.				
87	Grant of special pay to holders of teaching appointments.	1,10,300	..	56,400	..
88	Opening of a hostel for women students in the Andhra Medical College, Vizagapatam.	(*a*) 4,500	4,300	3,000	4,300
89	Grant to the Indian Research Fund Association towards the continuance of the tuberculosis survey and investigation work at Saidapet.	..	2,000	..	2,000

(*a*) Additional revenue anticipated—See item 3 in Section (B) II of this Appendix.

(C) SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942–1943—*cont.*

Schemes debitable to Revenue Account—*cont.*

Item number.	Description of the scheme.	Ultimate cost.		Cost in 1942–1943.	
		Recurring.	Non-recurring.	Recurring.	Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
		RS.	RS.	RS.	RS.
	GRANT XVI—MEDICAL—*cont.*				
	38. MEDICAL—*cont.*				
90	Employment of additional staff in medical institutions which are understaffed.	33,800	5,300	22,900	5,300
91	Increase in bedstrength and employment of additional staff in the Raja Mirasidar District Headquarters Hospital, Tanjore.	27,000	(*b*) 22,100	21,600	22,100
92	Revision of honorary scheme in Government hospitals with less than thirty beds.	12,900	..	100	..
93	Grant to the Madras Corporation for improvements to the Raja Sir Ramaswami Mudaliyar's Lying-in Hospital.	..	42,500	..	42,500 (*a*) — 10,600
94	Employment of additional staff in the King George Hospital, Vizagapatam.	21,000	3,100	15,100	3,100
95	Employment of a Woman Sub-Assistant Surgeon in each of the District Headquarters Hospitals at Trichinopoly and Masulipatam.	2,600	..	1,300	..
96	Employment of additional nursing staff in the Government Hospital for Women and Children, Madras.	8,100	700	6,200	700
97	Building and equipment grants to the Union Mission Tuberculosis Sanatorium, Madanapalle.	..	33,700	..	33,700 (*a*) — 7,000
98	Building grant for the construction of an additional block in the London Mission Hospital for Women and Children, Erode.	..	10,500	..	10,500 (*a*) — 2,600
99	Construction of an X-Ray block and installation of X-Ray apparatus in the Headquarters Hospital, Cuddalore. [See also item 192.]	2,200	..	..	..
100	Increase in bedstrength and employment of additional staff in the Headquarters Hospital, Palamcottah.	3,200	300	2,400	300
101	Employment of additional staff in the Headquarters Hospital, Coimbatore.	3,000	..	2,200	..

(*a*) Probable savings.

(*b*) Excludes amount debitable to "50. Civil Works "—[Column (4) Rs. 6,000 ; Column (6) nil] which will be met from the lump-sum provision in Part I under "Medical—Minor Works."

(C) SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942–1943—*cont.*

Schemes debitable to Revenue Account—*cont.*

Item number.	Description of the scheme.	Ultimate cost. Recurring.	Ultimate cost. Non-recurring.	Cost in 1942–1943. Recurring.	Cost in 1942–1943. Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
		RS.	RS.	RS.	RS.
	GRANT XVI—MEDICAL—*cont.*				
	38. MEDICAL—*cont.*				
102	Grant to the London Mission, Bellary, for the construction of a hospital at Kowtalam.	..	15,200	..	15,200 (*a*) — 3,800
103	Grant to the Victoria Hospital for Women and Children, Vizagapatam, for sanitary and drainage arrangements.	..	8,500	..	5,000 (*a*) — 1,300
104	Grants to certain district boards for the construction of medical buildings and purchase of equipment.	..	25,300	..	18,500 (*a*) — 4,600
105	Provincialization of certain local fund and municipal medical institutions.	35,000	..	30,000	..
106	Employment of a Health Visitor in the Government Victoria Caste and Gosha Hospital, Madras.	1,400	..	900	..
107	Payment of subsidies for the maintenance of rural dispensaries.	1,900	200	1,400	200
108	Employment of pharmacists in certain District Headquarters Hospitals.	4,400	..	2,500	..
109	Construction of a new headquarters hospital buildings at Tuticorin [*See* also item 214.]	14,400	14,400	..	..
	Total—Grant XVI ..	**2,85,700**	**1,88,100**	**1,66,000**	**1,33,500**
	GRANT XVII—PUBLIC HEALTH.				
	39. PUBLIC HEALTH.				
110	Expenditure for the Poonamallee Health Unit.	..	5,000	..	5,000
111	Grant to Pattukottai Panchayat for filling up burrow pits on land owned by poor people as an anti-malarial measure. [*See* also item 229.]	..	(*b*) 1,300	..	1,300
112	Employment of a Junior Chemical Assistant in the serum standard laboratory in the King Institute, Guindy.	1,600	..	900	..
113	Employment of additional staff for the Government Analyst, King Institute, Guindy.	3,400	..	2,100	..
114	Reorganization of the office of the Director of Public Health.	1,800	..	300	..

(*a*) Probable savings.

(*b*) Additional revenue anticipated—*See* item 4 in Section (B) II of this Appendix.

(C) SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942–1943—*cont.*

Schemes debitable to Revenue Account—*cont.*

Item number.	Description of the scheme.	Ultimate cost. Recurring.	Ultimate cost. Non-recurring.	Cost in 1942–1943. Recurring.	Cost in 1942–1943. Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
		RS.	RS.	RS.	RS.
	GRANT XVII—PUBLIC HEALTH—*cont.*				
	39. PUBLIC HEALTH—*cont.*				
115	Extension of anti-malarial operations to new areas in the Vizagapatam Agency.	2,400	..	2,000	..
116	Investigation into the prevalance of malaria in the Uddanam area, Vizagapatam district.	..	3,000	..	2,600
117	Provision of a temporary Plague Hospital for Hosur taluk, Salem district.	2,700	1,000	2,600	1,000
118	Extension of the scheme of experimental use of cyanogas fumigation to new areas.	(*a*) 5,800	..	5,800	..
119	Employment of staff for the malaria investigation unit in Harur taluk, Salem district.	(*b*) ..	13,000	..	7,000
120	Employment of additional staff in the Town-Planning Department, Madras.	5,800	300	4,000	300
121	Grant to the Hospet Municipal Council for anti-malarial operations.	..	500	..	500
122	Institution of a course of training for Sanitary Inspectors in anti-mosquito work.	..	7,500	..	7,500
123	Employment of Second-class Health Officers in certain municipalities.	(*c*) 9,400	..	4,300	..
124	Appointment of a Sanitary Inspector, etc., for the anti-malarial operation, Chintapalli. [*See* also item 198.]	2,700	1,000	2,300	1,000
125	Grant to the National Health Association of Southern India.	..	300	..	300
126	Grant to Hospet Municipal Council for the construction of a maternity and child-welfare centre in the municipality.	..	500	..	500
127	Grant to the Trichinopoly District Board for the construction of maternity and child-welfare centres at Thottiyam and at Udaiyarpalaiyam or Kulittalai.	..	3,400	..	3,400
128	Grant to the slums of India Mission.	..	500	..	500

(*a*) Additional revenue anticipated—*See* item 5 in Section (B) II of this Appendix.
(*b*) Additional revenue anticipated—*See* item 6 in Section (B) II of this Appendix.
(*c*) Additional revenue anticipated—*See* item 7 in Section (B) II of this Appendix.

(C) SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942–1943—*cont.*

Schemes debitable to Revenue Account—*cont.*

Item number.	Description of the scheme.	Ultimate cost. Recurring.	Ultimate cost. Non-recurring.	Cost in 1942–1943. Recurring.	Cost in 1942–1943. Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
		RS.	RS.	RS.	RS.
	GRANT XVII—PUBLIC HEALTH—*cont.*				
	39. PUBLIC HEALTH—*cont.*				
129	Bifurcation of certain Public Health ranges in the East Godavari and Vizagapatam districts.	8,500	500	6,500	500
130	Appointment of an Assistant District Health Officer in each of the three districts, Ramnad, West Godavari and Bellary.	(*b*) 5,600	..	2,600	..
131	Grant to local bodies for the maintenance of maternity and child-welfare centres.	82,000	..	82,000	..
132	Grant for the sinking of additional bore-wells in the Ambasamudram Panchayat area, Tinnevelly district.	..	800	..	800 (*a*) — 300
	Total—Grant XVII ..	**1,31,300**	**38,600**	**1,15,400**	**31,900**
	GRANT XVIII—AGRICULTURE.				
	40. AGRICULTURE.				
133	Scheme for the planting of coconut seedlings and watching their performance.	65,100	3,900	1,200	3,900
134	Multiplication and distribution of Co. 2 Cambodia cotton seed in Tiruppur area.	(*c*) 44,400	7,300	43,500	7,300
135	Opening of a Rice Research Station in the Chingleput district.	(*d*) 18,600	15,100	13,400	11,800
136	Payment of honorarium to Dr. T. V. Ramakrishna Ayyar for publishing the Handbook of Economic Entomology for South India.	..	800	..	800
137	Extension of the Dry Farming Scheme, Hagari.	16,700	..	13,200	..
138	Scheme for the multiplication and distribution of H. 1. cotton seed.	6,000	57,800	..	4,100
139	Appointment of upper subordinates in vacancies caused by the promotion of or grant of leave to lower subordinates.	10,700	..	8,200	..

(*a*) Probable savings.
(*b*) Additional revenue anticipated—*See* item 8 in Section (B) II of this Appendix.
(*c*) Additional revenue anticipated—*See* item 9 in Section (B) II of this Appendix.
(*d*) Additional revenue anticipated—*See* item 10 in Section (B) II of this Appendix.

(C) SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942-1943—*cont.*

Schemes debitable to Revenue Account—*cont.*

Item number.	Description of the scheme.	Ultimate cost.		Cost in 1942-1943.	
		Recurring.	Non-recurring.	Recurring.	Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
		RS.	RS.	RS.	RS.
	GRANT XVIII—AGRICULTURE—*cont.*				
	40. AGRICULTURE—*cont.*				
140	Appointment of a Lecturer in Agricultural Economics.	6,100	300	4,000	300
141	Employment of storekeepers in certain Agricultural depots.	3,500	..	2,300	..
142	Creation of a cadre of Recorders for grading work in the Agricultural Department.	3,100	..	2,100	..
143	Introduction of Bee-keeping as a cottage industry in the Vizagapatam district.	700	500	600	500
144	Grant of subsidy to the Agricultural College Students' Union, Coimbatore.	400	..	400	..
	Total—Grant XVIII ..	**1,75,300**	**85,700**	**88,900**	**28,700**
	GRANT XIX—VETERINARY.				
	41. VETERINARY.				
145	Employment of staff for village shearing and grading centres for wool.	2,600	300	2,100	300
146	Creation of two additional circles in the Veterinary Department to be in charge of District Veterinary Officers.	19,000	900	12,000	900
147	Appointment of five touring Veterinary Assistant Surgeons.	8,300	1,800	5,600	1,800
148	Opening of four Veterinary Dispensaries.	(*a*) 7,800	3,800	5,700	3,800
149	Conversion of temporary posts of Veterinary Assistant Surgeons into permanent ones and increase in the number of I Grade posts.	6,600	..	600	..
150	Strengthening the staff in the Madras Veterinary College on the report of the University Inspection Commission.	3,000	..	1,400	..
151	Opening of a buffalo-breeding station at Prattur in Guntur district. [*See* also item 199.]	(*b*) 10,100	23,700	8,600	15,500
152	Employment of compounders in the Veterinary institutions at Papanasam and Polavaram.	1,700	400	1,300	400
	Total—Grant XIX ..	**59,100**	**30,900**	**37,300**	**22,700**

(*a*) Additional revenue anticipated—*See* item 11 in Section (B) II of this Appendix.

(*b*) Additional revenue anticipated—*See* item 12 in Section (B) II of this Appendix.

(C) SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942–1943—*cont.*

Schemes debitable to Revenue Account—*cont.*

Item number.	Description of the scheme.	Ultimate cost. Recurring.	Ultimate cost. Non-recurring.	Cost in 1942–1943. Recurring.	Cost in 1942–1943. Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
		RS.	RS.	RS.	RS.
	GRANT XX—CO-OPERATION.				
	42. CO-OPERATION.				
153	Employment of separate Deputy Registrars of Co-operative Societies with staff for certain districts.	40,800	..	24,100	..
154	Introduction of Land Colonization Schemes for compact blocks of land. [*See* also item 218.]	..	15,500	..	12,300
	Total—Grant XX ..	**40,800**	**15,500**	**24,100**	**12,300**
	GRANT XXI—INDUSTRIES.				
	43. INDUSTRIES—INDUSTRIES.				
155	Introduction of the manufacture of essential oils and flower essences as an integral part of the commercial activities of the Kerala Soap Institute, Calicut.	13,800	10,000	8,600	10,000
156	Grants-in-aid to Industrial schools.	..	37,100	..	30,300 (*a*) — 3,400
157	Provision of increased maintenance and equipment grants for select Industrial schools.	3,500	1,500	3,500	1,500
158	Introduction of a dolls and toys section in the Government Industrial School, Madura.	600	200	300	200
159	Building grant to the Industrial school proposed to be opened by the Ramakrishna Mission at Thyagarayanagar.	..	17,000	..	17,000 (*a*) — 4,300
160	Continuance of the contribution to the Indian Institute of Science, Bangalore.	..	15,000	..	5,000
	Total—Grant XXI ..	**17,900**	**80,800**	**12,400**	**56,300**
	GRANT XXII—CINCHONA AND FISHERIES.				
	43. INDUSTRIES—FISHERIES.				
161	Practical training of officers of the Fisheries department.	2,800	..	2,800	..
162	Opening of higher standards in certain Fisheries schools	2,400	200	1,300	200
163	Opening of standard VIII in Fisheries school at Vellayil.	500	300	300	300
164	Opening of new Fisheries schools at certain centres.	6,100	1,900	3,300	1,900
	Total—Grant XXII ..	**11,800**	**2,400**	**7,700**	**2,400**

(*a*) Probable savings.

(C) SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942–1943—*cont.*

Schemes debitable to Revenue Account—*cont.*

Item number.	Description of the scheme.	Ultimate cost. Recurring.	Ultimate cost. Non-recurring.	Cost in 1942-1943. Recurring.	Cost in 1942-1943. Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
		RS.	RS.	RS.	RS.
	GRANT XXIII—MISCELLANEOUS DEPARTMENTS.				
	47. MISCELLANEOUS DEPARTMENTS.				
165	Opening of four new schools and construction of six wells for Yanadis in the Chittoor district.	3,100	4,400	2,200	4,400
166	Appointment of five additional teachers for Kallar Schools, etc., in the Madura district.	1,900	21,700	1,500	21,700
167	Appointment of an additional teacher, etc., in the Sugali Labour School at Kollamakulametta in the Kurnool district.	1,000	..	600	..
168	Extension of the activities of the Labour department for the amelioration of the condition of eligible communities. [*See* also item 219.]	17,100	2,14,400	12,800	2,14,400 (*a*)— 50,000
169	Provision of midday meals to pupils of the eligible communities attending Labour schools.	25,000	..	25,000	..
170	Increase in the rate of boarding grants to some of the hostels maintained by the Harijan Sevak Sangh, Andhra Provincial Board, Madras.	2,600	..	2,600	..
171	Boarding grants for the maintenance of the hostel for Yanadis at Nellore.	400	..	400	..
172	Additional grant to the Olcott Panchama Free School, Adyar.	1,900	..	1,900	..
173	Appointment of a Drill Instructor in the Government Higher Elementary School, Masulipatam.	400	..	100	..
174	Additional boarding grants to some of the hostels maintained by the Harijan Sevak Sangh, Andhra Provincial Board, Madras.	3,700	..	3,700	..
175	Additional boarding grants to some of the hostels maintained by the Tamil Nad Harijan Sevak Sangh, Trichinopoly.	3,000	..	3,000	..
176	Boarding grant for the maintenance of the hostel attached to the Kanakasabhapathy Nayagar Industrial School, Conjeeveram.	500	..	500	..
177	Increase of boarding grants to the hostel attached to the Hindu Religious School, Walajabad.	800	..	800	..

(*a*) Probable savings.

(C) SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942–1943—*cont.*

Schemes debitable to Revenue Account—*cont.*

Item number.	Description of the scheme.	Ultimate cost. Recurring.	Ultimate cost. Non-recurring.	Cost in 1942–1943. Recurring.	Cost in 1942–1943. Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
		RS.	RS.	RS.	RS.
	GRANT XXIII—MISCELLANEOUS DEPARTMENTS—*cont.*				
	47. MISCELLANEOUS DEPARTMENTS—*cont.*				
178	Boarding grant for the maintenance of certain qualified pupils in the Boarding Home at Udipi, South Kanara district.	400	..	400	..
179	Building grant to the Sri Krishnashramam Harijan Industrial School, Guntur, for the construction of a hostel attached to the school.	..	2,500	..	2,500
180	Appointment of two additional Assistant Inspectors of Factories and subordinate staff.	16,900	600	11,900	600
	Total—Grant XXIII ..	**78,700**	**2,43,600**	**67,400**	**1,93,600**
	GRANT XXIV—CIVIL WORKS—WORKS.				
	50. CIVIL WORKS—BUILDINGS—ADMINISTRATION OF JUSTICE.				
181	Provision of Sanitary installations in the High Court buildings.	..	31,700	..	30,000 (*a*) — 3,000
	Total—Administration of Justice ..	..	**31,700**	..	**27,000**
	50. CIVIL WORKS—BUILDINGS—JAILS AND CONVICT SETTLEMENTS.				
182	Construction of a dining *cum* recreation hall in the Borstal School at Palamcottah.	..	17,000	..	5,000 (*a*) — 500
	Total—Jails, etc. ..	..	**17,000**	..	**4,500**
	50. CIVIL WORKS—BUILDINGS—EDUCATION.				
183	Opening of B.Sc. Course in 'Home Science' in the Queen Mary's College, Madras [See also item 63].	..	25,000	..	25,000
184	Construction of a school building and hostel for the Mappilla Girls' High School at Tirur.	..	88,200	..	10,000 (*a*) — 1,000
185	Construction of tiffin rooms and cycle shed in the Presidency College, Madras.	..	13,400	..	13,400 (*a*) — 1,300
186	Provision of additional accommodation in the Government Training School for Women, Vellore.	..	17,000	..	10,000 (*a*) — 1,000

(*a*) Probable savings.

(C) SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942–1943—*cont.*

Schemes debitable to Revenue Account—*cont.*

Item number.	Description of the scheme.	Ultimate cost.		Cost in 1942–1943.	
		Recurring.	Non-recurring.	Recurring.	Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
			RS.		RS.
	GRANT XXIV—CIVIL WORKS—WORKS—*cont.*				
	50. CIVIL WORKS—BUILDINGS—EDUCATION—*cont.*				
187	Construction of additional class-rooms and a theatre for the Government Secondary School for Girls, Egmore.	..	34,000	..	5,000 (*a*) — 500
188	Construction of a building for the High School department of the Government Brennen College, Tellicherry.	..	11,000	..	11,000 (*a*) — 1,100
189	Acquisition of a site and construction of a building for the hostel for the Government Secondary School for Mappillas, Malappuram.	..	1,21,700	..	12,000 (*a*) — 1,200
190	Acquisition of a site for the Government Training School for Women, Erode.	..	13,800	..	13,800
191	Construction of an additional dining block for the Queen Mary's College, Madras.	..	10,300	..	10,300 (*a*) — 1,000
	Total—Education ..	..	**3,34,400**	..	**1,03,400**
	50. CIVIL WORKS—BUILDINGS—MEDICAL.				
192	Construction of an X-Ray block and installation of X-Ray apparatus in the Headquarters Hospital, Cuddalore. [See also item 99.]	..	21,000	..	10,000 (*a*) — 1,000
193	Acquisition of private lands adjoining the Tuberculosis Sanatorium, Tambaram.	..	40,100	..	40,100
194	Provision of separate enclosure for mentally defective children in the Mental Hospital, Madras.	..	13,400	..	13,400 (*a*) — 1,300
195	Construction of quarters for the totis in the Government Hospital for Women and Children, Madras.	..	12,700	..	12,700 (*a*) — 1,300
196	Provision of double storeyed corridors in the King George Hospital buildings at Vizagapatam.	..	46,500	..	15,000 (*a*) — 1,500
197	Construction of a sports pavilion *cum* common room for the Stanley Medical College, Madras.	..	14,600	..	14,600 (*a*) — 1,500
	Total—Medical ..	..	**1,48,300**	..	**99,200**

(*a*) Probable savings.

(C) SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942–1943—*cont.*

Schemes debitable to Revenue Account—*cont.*

Item number.	Description of the scheme.	Ultimate cost. Recurring.	Ultimate cost. Non-recurring.	Cost in 1942-1943. Recurring.	Cost in 1942-1943. Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
		RS.	RS.	RS.	RS.
	GRANT XXIV—CIVIL WORKS—WORKS—*cont.*				
	50. CIVIL WORKS—BUILDINGS—PUBLIC HEALTH.				
198	Appointment of a Sanitary Inspector, etc., for the anti-malarial operation, Chintapalli [See also item 124].	..	8,800	..	..
	Total—Public Health ..	..	8,800	..	..
	50. CIVIL WORKS—BUILDINGS—VETERINARY.				
199	Opening of a buffalo-breeding station at Prattur in Guntur district [See also item 151]. (*b*)	..	68,900	..	68,900
200	Extension and improvements to the Madras Veterinary College.	..	18,100	..	18,100 (*a*) – 1,800
201	Construction of permanent buildings for the Veterinary Dispensary, Madura.	..	21,700	..	2,000 (*a*) — 200
	Total—Veterinary ..	..	**1,08,700**	..	**87,000**
	50. CIVIL WORKS—BUILDINGS—CIVIL WORKS.				
202	Construction of an inspection bungalow at Ponneri, Chingleput district.	..	19,000	..	1,000
	Total—Civil Works ..	..	**19,000**	..	**1,000**
	Total—Grant XXIV ..	..	**6,67,900**	..	**3,22,100**
	GRANT XXV—CIVIL WORKS—ESTABLISHMENT AND TOOLS AND PLANT.				
	50. CIVIL WORKS—ESTABLISHMENTS.				
203	Excavating a direct irrigation channel from the right bank of the Pennar to irrigate lands in certain villages in Siddhout taluk, Cuddapah district [See also item 6].	..	400	..	400
204	Improvements to the Pooraparamba cut and restoration of the Conolly Canal from Kuttayi to Pooraparamba river, West Coast canal, Malabar district [See also item 7].	..	3,600	..	3,600
205	Employment of special staff for the construction of new Head-quarters Hospital at Calicut.	9,300	..	6,100	..
206	Employment of special staff for scientific investigation of drainage problems in the Godavari, Kistna and Cauvery deltas.	..	40,300	..	18,800
	Total—Grant XXV ..	**9,300**	**44,300**	**6,100**	**22,800**

(*a*) Probable savings.

(*b*) Additional revenue anticipated—*See* item 12 in Section (B) II of this Appendix.

(C) SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942–1943—*cont.*

Schemes debitable to Revenue Account—*cont.*

Item number.	Description of the scheme.	Ultimate cost. Recurring.	Ultimate cost. Non-recurring.	Cost in 1942–1943. Recurring.	Cost in 1942–1943. Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
		RS.	RS.	RS.	RS.
	GRANT XXVI—GRANTS-IN-AID.				
	50. CIVIL WORKS—GRANTS-IN-AID.				
207	Grants to local boards for the improvement of village communications.	..	3,00,000	..	3,00,000 (*a*) — 30,000
208	Classification of the Calicut-Cannanore road as trunk road and payment of grant to the Malabar District Board for its maintenance.	27,000	13,000	20,300	..
209	Non-recurring grants to local bodies for roads and bridges (other than village communications).	..	8,02,000	..	8,02,000 (*a*) — 75,000
	Total—Grant XXVI ..	**27,000**	**11,15,000**	**20,300**	**9,97,000**
	GRANT XXXI—MISCELLANEOUS.				
	57. MISCELLANEOUS.				
210	Additional grant to the Madras Vigilance Association towards the touring expenses of the Provincial Woman Welfare worker.	800	..	800	..
211	Contributions to local bodies to make good the loss consequent on the Profession Tax Limitation Act, 1941 [See also item 86].	6,67,000	..	6,67,000	..
212	Improvement of postal delivery arrangements in the Attappady Valley, Malabar district.	100	..	100	..
	Total—Grant XXXI ..	**6,67,900**	..	**6,67,900**	..
	Grand Total—Schemes debitable to Revenue Account.	**23,09,300**	**41,34,400**	**17,85,000**	**28,92,000**

Schemes debitable to Capital Expenditure outside the Revenue Account.

Item number.	Description of the scheme.	Ultimate cost. Recurring.	Ultimate cost. Non-recurring.	Cost in 1942–1943. Recurring.	Cost in 1942–1943. Non-recurring.
	GRANT XXXIII—CAPITAL OUTLAY ON IRRIGATION.				
	68. CONSTRUCTION OF IRRIGATION, NAVIGATION, EMBANKMENT AND DRAINAGE WORKS.				
213	Extending the wharf at Bezwada to below the girder bridge at mile 0/2 of the Kistna Eastern Delta Main Canal.	..	85,000	..	50,000
	Total—Grant XXXIII ..	..	**85,000**	..	**50,000**

(*a*) Probable savings.

(C) SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942-1943—*cont.*

Schemes debitable to Capital Expenditure outside the Revenue Account—*cont.*

Item number.	Description of the scheme.	Ultimate cost. Recurring.	Ultimate cost. Non-recurring.	Cost in 1942–1943. Recurring.	Cost in 1942–1943. Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
			RS.		RS.
	GRANT XXXV—CIVIL WORKS OUTSIDE THE REVENUE ACCOUNT.				
	81. CAPITAL ACCOUNT OF CIVIL WORKS OUTSIDE THE REVENUE ACCOUNT—BUILDINGS.				
214	Construction of a new headquarters hospital buildings at Tuticorin [See also item 109].	..	5,48,000	..	50,000 (*a*) — 5,000
215	Construction of quarters for police staff.	..	(*b*) 2,19,200	..	38,300 (*a*) — 3,800
	Total—Grant XXXV ..	..	**7,67,200**	..	**79,500**
	GRANT XXXVI—CAPITAL OUTLAY ON ELECTRICITY SCHEMES.				
	81-A. CAPITAL OUTLAY ON ELECTRICITY SCHEMES.				
216	Construction of additional staff quarters at Iyerpadi sub-station in Anamalais.	..	13,500	..	13,500 (*a*) — 1,300
	Total—Grant XXXVI ...	..	**13,500**	..	**12,200**
	Total—Schemes debitable to Capital Expenditure outside the Revenue Account.	..	**8,65,700**	..	**1,41,700**

Schemes debitable to Loans to Local Bodies, etc.

Item number.	Description of the scheme.	Ultimate cost. Recurring.	Ultimate cost. Non-recurring.	Cost in 1942–1943. Recurring.	Cost in 1942–1943. Non-recurring.
	GRANT XXXIX—LOANS AND ADVANCES BEARING INTEREST.				
	LOANS AND ADVANCES BY PROVINCIAL GOVERNMENT.				
217	Grant of a loan to the Adoni Cotton Market Committee for the acquisition of site and for the construction of market yard, office buildings, etc.	..	30,000	..	30,000
218	Introduction of Land—Colonization schemes for compact blocks of land [See also item 154].	..	12,800	..	12,800
219	Extension of the activities of the Labour department for the amelioration of the condition of the eligible communities [See also item 168].	..	20,000	..	20,000 (*a*) — 5,000

(*a*) Probable savings.

(*b*) Excludes amount debitable to "50. Civil Works—Police—Minor Works" [column (4) Rs. 6,000 and column (6) Nil], which will be met from the lump-sum provision in Part I for "Minor Works."

(C) SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942–1943—*cont.*

Schemes debitable to Loans to Local Bodies, etc.—*cont.*

Item number.	Description of the scheme.	Ultimate cost. Recurring.	Ultimate cost. Non-recurring.	Cost in 1942–1943. Recurring.	Cost in 1942–1943. Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
			RS.		RS.
	GRANT XXXIX—LOANS AND ADVANCES BEARING INTEREST—*cont.*				
	LOANS AND ADVANCES BY PROVINCIAL GOVERNMENT —*cont.*				
	Loans for Capital expenditure on schemes for Public Health purposes other than water-supply and drainage.				
	Loan to the Presidency Corporation of Madras.				
220	For the construction of flush-out latrines.	..	50,000	..	50,000 (*a*) — 5,000
	Loans to Municipalities, etc.				
221	Loan to Palni Municipal Council for construction of quarters for scavengers.	..	7,500	..	7,500 (*a*) — 800
222	Loans to Bezwada Municipal Council for the acquisition of site for nightsoil trenching ground.	..	15,000	..	15,000 (*a*) — 1,500
223	Loan to the Vizagapatam Municipal Council for the acquisition of land for a road in town-planning areas.	..	12,000		12,000 (*a*) — 1,200
224	Loan to Madura Municipal Council for extension of Lady Willingdon Maternity Home.	..	15,000	..	15,000 (*a*) — 1,500
225	Loans to Municipal Council, Tenali, for the acquisition of sites for scavengers' quarters and burial-grounds.	..	12,000	..	12,000 (*a*) — 1,200
226	Loan to the Cochin Municipality towards the Eravelli Town-Planning Scheme.	..	18,100	..	8,000 (*a*) — 800
227	Loan to the Karaikudi Municipal Council towards Railway Station Area Town-Planning Scheme, Part I.	..	1,35,000	..	73,000 (*a*) —7,300
228	Loan to the Municipal Council, Palni, for the construction of a tiled shed for the Municipal High School.	..	2,000	..	2,000 (*a*) — 200

(*a*) Probable savings.

(C) SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1942–1943—*cont.*

Schemes debitable to Loans to Local Bodies, etc.—*cont.*

Item number.	Description of the scheme.	Ultimate cost. Recurring.	Ultimate cost. Non-recurring.	Cost in 1942–1943. Recurring.	Cost in 1942–1943. Non-recurring.
(1)	(2)	(3)	(4)	(5)	(6)
			RS.		RS.
	GRANT—XXXIX—LOANS AND ADVANCES BEARING INTEREST—*cont.*				
	LOANS AND ADVANCES BY PROVINCIAL GOVERNMENT—*cont.*				
229	Loan to the Pattukkottai Panchayat for closing burrow pits [See also item 111].	..	(*b*) 1,300	..	(*b*) 1,300
230	Loan to the District Board, Tanjore, for the construction of a building for the Board High School, Ayyampet.	..	43,300	..	43,300 (*a*) — 4,300
231	Loans to local bodies for the construction of roads, etc., sanctioned by the Local Administration Department.	..	4,49,000	..	2,49,000 (*a*) — 25,000
	Total—Grant XXXIX ..	..	8,23,000	..	5,50,900 (*a*) — 53,800
					4,97,100
	Total—Schemes debitable to Loans to Local Bodies, etc.	..	8,23,000	..	4,97,100
	Grand Total—Schemes debitable to Capital and Loans.	..	16,88,700	..	6,38,800

(*a*) Probable savings.
(*b*) Additional revenue anticipated—See item 4 in Section (B) II of this Appendix.

W. SCOTT BROWN,
Financial Secretary.

12*th February* 1942.

APPENDIX II.

[*See* paragraph 22 in Part I.]

STATEMENT SHOWING THE CAPITAL LIABILITIES AND ASSETS OF THE MADRAS GOVERNMENT AS ON THE LAST DAY OF EACH FINANCIAL YEAR FROM 1938–1939.

Details.	31st March 1939.	31st March 1940.	31st March 1941.	31st March 1942 (Revised Estimate).	31st March 1943 (Budget Estimate).
(1)	(2)	(3)	(4)	(5)	(6)
	RS.	RS.	RS.	RS.	RS.
	LAKHS.	LAKHS.	LAKHS.	LAKHS.	LAKHS.
Liabilities.					
A. BEARING INTEREST—					
(i) *Loans*—					
(*a*) Due to the Central Government ..	7,44·32	7,38·45	7,32·33	7,25·92	7,19·22
(*b*) Open-market Loans	3,14·57	4,58·46	5,20·28	5,18·03	5,04·24
(*c*) Special irredeemable loans	2·52	2·52	2·52	2·52	2·52
Total—(i) Loans ..	**10,61·41**	**11,99·43**	**12,55·13**	**12,46·47**	**12,25·98**
(ii) *Other liabilities*—					
(*a*) State Provident Funds	3,86·74	4,06·26	4,21·02	4,32·88	4,42·96
(*b*) Depreciation reserve funds of commercial undertakings.	2·76	2·90	3·03	3·22	3·45
Total—(ii) Other liabilities ..	**3,89·50**	**4,09·16**	**4,24·05**	**4,36·10**	**4,46·41**
TOTAL—A. INTEREST BEARING LIABILITIES ..	**14,50·91**	**16,08·59**	**16,79·18**	**16,82·57**	**16,72·39**
B. FREE OF INTEREST—					
(i) Sinking funds	4·25	8·47	15·51	59·69	74·97
(ii) Famine Relief Fund	61·99	63·98	66·50	68·82	71·23
(iii) Electricity Reserve Funds	14·74	25·51	36·58	51·14	68·21
(iv) Deposits, Advances and Remittances ..	4,78·39	4,40·04	5,08·61	5,39·92	5,25·24
C. GRAND TOTAL—LIABILITIES ..	**20,10·28**	**21,46·59**	**23,06·38**	**24,02·14**	**24,12·04**
Assets.					
D. ASSETS PRODUCING REVENUE—					
(i) *Remunerative*—					
(*a*) Productive irrigation works	14,86·62	14,91·38	14,94·18	14,92·44	14,94·30
(*b*) Electricity Schemes	4,79·23	5,48·12	6,04·72	7,08·40	7,54·13
(*c*) Cinchona Plantations	19·67	19·04	29·18	30·14	31·63
(*d*) Kerala Soap Institute	2·69	2·41	2·80	2·72	2·48
(*e*) Industrial Engineering Workshops ..	1·32	1·16	1·36	1·32	1·25
(*f*) Loans advanced (due to Government) ..	5,07·54	5,42·86	5,31·97	5,27·06	5,24·76
(*g*) Shares in Private Industrial concerns.	·18	·18	·25	·25	·25
Total—(i) Remunerative ..	**24,97·25**	**26,05·15**	**26,64·46**	**27,62·33**	**28,08·80**
(ii) *Unremunerative*—					
(*a*) Unproductive irrigation works	3,77·82	3,78·52	3,79·08	3,79·29	3,79·37
(*b*) Navigation works	87·27	87·27	87·28	87·54	87·54
Total—(ii) Unremunerative ..	**4,65·09**	**4,65·79**	**4,66·36**	**4,66·83**	**4,66·91**
TOTAL—D. ASSETS PRODUCING REVENUE ..	**29,62·34**	**30,70·94**	**31,30·82**	**32,29·16**	**32,75·71**

APPENDIX II—*cont.*

STATEMENT SHOWING THE CAPITAL LIABILITIES AND ASSETS OF THE MADRAS GOVERNMENT AS ON THE LAST DAY OF EACH FINANCIAL YEAR FROM 1938-1939—*cont.*

Details.	31st March 1939.	31st March 1940.	31st March 1941.	31st March 1942 (Revised Estimate).	31st March 1943 (Budget Estimate).
(1)	(2)	(3)	(4)	(5)	(6)
	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.
Assets.					
Assets brought forward ..	29,62·34	30,70·94	31,30·82	32,29·16	32,75·71
E. OTHER ASSETS—					
(*a*) Capital outlay on civil works outside the revenue account.	1,00·66	1,15·63	1,26·45	1,38·01	1,54·75
(*b*) Payments of Commuted Value of Pensions.	10·86	2·02	..	..	..
F. Securities in the Sinking Fund Investment Account.*	..	..	..	53·50	74·50
G. Securities in the Famine Relief Fund * ..	51·79	62·49	62·57	68·57	71·07
H. Securities in the Electricity Reserve Funds. *	11·41	14·74	25·51	50·51	67·76
I. Securities in the Cash Balance Investment Account. *	74·09	54·77	2,94·48	2,84·48	1,99·48
J. Closing Cash Balance	76·61	1,34·48	53·73	52·18	52·77
K. GRAND TOTAL—ASSETS ..	32,87·76	34,55·07	36,93·56	38,76·41	38,96·04
L. Excess of Assets over Liabilities ..	12,77·48	13,08·48	13,87·18	14,74·27	14,84·00

* Purchase price of securities.

W. SCOTT BROWN,
Financial Secretary.

12*th February* 1942.

APPENDIX III.

[*See* paragraph 717.]

STATEMENT SHOWING THE TRANSACTIONS RELATING TO THE MADRAS FAMINE RELIEF FUND FROM THE YEAR 1938–1939.

Particulars. (1)	Accounts, 1938–1939. (2)	Accounts, 1939–1940. (3)	Accounts, 1940–1941. (4)	Revised Estimate, 1941–1942. (5)	Budget Estimate, 1942–1943. (6)
	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.
I. Opening Balance—Cash	1·54	10·20	1·49	3·93	·25
II. Receipts—					
A. Famine Relief Fund—					
(*a*) Transfers from the Revenue Account.	10·19	..	..	..	..
(*b*) Interest receipts	2·19	1·93	2·18	2·28	2·37
(*c*) Recoveries of Famine Expenditure.	·18	·06	·34	·04	·04
(*d*) Gain on realization of securities.	·15	..	..	..	..
B. Investment Account— Sale of Securities ..	12·11	..	..	..	..
Total, II. Receipts ..	24·82	1·99	2·52	2·32	2·41
III. Disbursements—					
A. Famine Relief Fund—					
(*a*) Transfers to the Revenue Account—					
(i) For expenditure on relief of serious famine and of distress due to serious famine, floods, etc.	15·32	..	..	..	..
(ii) For expenditure under the proviso to section 5 of Act XVI of 1936 on protective irrigation works.	..	..	..	..	..
(*b*) Loss on realization of securities.	·03	..	..	..	..
(*c*) Other payments ..	·01	..	..	..	..
B. Investment Account— Purchase of securities ..	·80	10·70	·08	6·00	2·50
Total, III. Disbursements ..	16·16	10·70	·08	6·00	2·50
IV. Net transactions of the year—					
Net receipts (+) *or* Net disbursements (—) (II — III).	+ 8·66	— 8·71	+ 2·44	— 3·68	— ·09
V. Closing Balance—Cash (I + IV) ..	10·20	1·49	3·93	·25	·16
VI. Market value of securities held on the last day of the year.	49·80	60·54	60·81	* 66·49	* 68·99
VII. Total assets of the Fund including Cash Balance (V + VI).	**60·00**	**62·03**	**64·74**	**66·74**	**69·15**
NOTE.—Securities held in the Fund on the last day of the year—					
(i) Purchase price	51·79	62·49	62·57	68·57	71·07
(ii) Face value	48·88	60·09	60·17	66·17	68·67

* At the market prices prevailing on the 16th January 1942.

W. SCOTT BROWN,
Financial Secretary.

12*th February* 1942.

APPENDIX IV.

[*See* paragraph 718.]

STATEMENT SHOWING THE TRANSACTIONS RELATING TO THE RESERVE FUNDS OF ELECTRIC SYSTEMS FROM 1938-1939.

Particulars. (1)	Accounts, 1938–1939. (2) RS. LAKHS.	Accounts, 1939–1940. (3) RS. LAKHS.	Accounts, 1940–1941. (4) RS. LAKHS.	Revised Estimate, 1941–1942. (5) RS. LAKHS.	Budget Estimate, 1942–1943. (6) RS. LAKHS.
(1) CASH ACCOUNT.					
A. Depreciation Reserve Funds—Pykara and Mettur Hydro-Electric Systems.					
I. Opening Balances—Cash	4·09	2·58	7·73	8·07	·31
II. Receipts— Contributions from Revenue	6·44	7·87	8·28	12·22	12·69
III. Disbursements—					
(*a*) Transfer to the Revenue Account for renewals and replacements ..	..	·14	·21	·98	·36
(*b*) Investment Account— Purchase of Securities	7·95	2·58	7·73	19·00	12·50
(*c*) Total, Disbursements	7·95	2·72	7·94	19·98	12·86
IV. Net transactions of the year— Net Receipts (+) Net Disbursements (—) (II — III)	— 1·51	+ 5·15	+ ·34	— 7·76	— ·17
V. Closing Balances—Cash (I + IV) ..	2·58	7·73	8·07	·31	·14
B. Special Reserve Funds—Pykara and Mettur Hydro-Electric Systems.					
I. Opening Balances—Cash	1·64	·75	3·04	3·01	·33
II. Receipts— Contributions from Revenue	2·57	3·14	3·31	3·93	5·08
III. Disbursements—					
(*a*) Transfer to the Revenue Account for renewals and replacements	..	·10	·30	·61	·34
(*b*) Investment Account— Purchase of Securities ..	3·46	·75	3·04	6·00	4·75
(*c*) Total, Disbursements	3·46	·85	3·34	6·61	5·09
IV. Net transactions of the year— Net Receipts (+) Net Disbursements (—) (II — III)	— ·89	+ 2·29	— ·03	— 2·68	— ·01
V. Closing Balances—Cash (I + IV) ..	·75	3·04	3·01	·33	·32
C. Depreciation Reserve Funds and Special Reserve Funds—Combined.					
Total Closing Balances—Cash [*A*V + *B*V].	3·33	10·77	11·08	·64	·46
(2) INVESTMENT ACCOUNT.					
Securities held in the Funds as on the last day of the year—					
(1) Purchase price—					
Depreciation Reserve Funds ..	7·95	10·53	18·26	37·26	49·76
Special Reserve Funds	3·46	4·21	7·25	13·25	18·00
Total ..	11·41	14·74	25·51	50·51	67·76
(2) Face value—					
Depreciation Reserve Funds ..	8·01	10·64	18·79	37·79	50·29
Special Reserve Funds ..	3·50	4·26	7·47	13·47	18·22
Total ..	11·51	14·90	26·26	51·26	68·51
(3) Market value—					
Depreciation Reserve Funds ..	7·98	10·38	18·30	37·34 *	49·84 *
Special Reserve Funds ..	3·48	4·16	7·27	13·28 *	18·03 *
Total ..	11·46	14·54	25·57	50·62 *	67·87 *

* At the market prices prevailing on the 16th January 1942.

W. SCOTT BROWN,
Financial Secretary.

12*th February* 1942.

APPENDIX V.

[*See* paragraph 719.]

STATEMENT OF GUARANTEES GIVEN BY THE GOVERNMENT OF MADRAS AND OUTSTANDING ON THE 31ST JANUARY 1942.

Name of public or other body (or person) for which the guarantee has been given.	Statutory authority, if any, for the giving of the guarantee.	Form and extent of guarantee.	Maximum amount guaranteed.	Rate of interest guaranteed in the case of loans, debentures, etc.	Purpose for which the guarantees were given.	Primary security.	Sums guaranteed outstanding on 31st January 1942. Amount.	Rate of interest.	Liability actually met by Government up to 31st March 1941.	Remarks.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
								PER CENT.		
1 The Madras Co-operative Central Land Mortgage Bank, Limited, Madras.	The Madras Co-operative Land Mortgage Banks Act X of 1934—Sections 6 (1), 6 (2) and 7.	*Section* 6 (1) *and* (2) *of the Madras Co-operative Land Mortgage Banks Act*, 1934.—Full and unconditional guarantee of the principal of and interest on the debentures issued by the Board of Directors of the Central Land Mortgage Bank on or after 31st July 1934 such debentures being issued for periods not exceeding in any case 25 years from the date of issue. *Section* 7 *of the Madras Co-operative Land Mortgage Banks Act*.—Full and unconditional guarantee of the principal of and interest on the debentures issued before 31st July 1934.	*Section* 6 (1) *and* (2).—The total aggregate face value of the debentures in circulation exclusive of those redeemed from time to time to the extent of Rs. 310 lakhs. *Section* 7.— RS. 15,15,400 (*a*) 8,93,500 (*b*) 24,08,900	*Section* 6.—Not exceeding 5 per cent per annum. *Section* 7.— 5 per cent (*a*). 4 per cent (*b*).	To make the debentures negotiable and popular with the investing public and to enable the Government of India to amend the Indian Trusts Act so as to declare the debentures of the Central Land Mortgage Bank as Trustee securities.	The mortgages and other assets transferred by Primary Land Mortgage Banks to the Central Land Mortgage Bank and vesting in the Trustee (vide section 5 of the Madras Co-operative Land Mortgage Banks Act). **Total** ..	Debentures guaranteed under section 6 of the Act— RS. 21,57,100 1,44,19,100 96,92,200 2,62,68,400 Debentures guaranteed under section 7 of the Act— RS. 1,75,000 **2,64,43,400**	 4 $3\frac{1}{2}$ 3 4	Nil.	
2 Court of Wards on behalf of the Vizianagram Estate.	Nil.	*Letter of guarantee*.—Whole or portion of the loan remaining unrecovered.	Rs. 10 lakhs	One per cent over the Imperial Bank of India advance rate subject to a minimum of 6 per cent.	To raise a loan from Imperial Bank of India to carry on the administration of the Estate.	Whole of the Vizianagram Estate excluding the 22 items of house properties released by the bank by the deed, dated the 12th November 1941.	RS. 5,99,700	6	Nil.	

12*th February* 1942.

W. SCOTT BROWN,
Financial Secretary.